



LAYING THE FOUNDATIONS

20 YEARS OF THE EFC



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Foreword

When the seven EFC founding members met on 9 November 1989 to officially launch the Centre, a European foundation sector as a concept or community was not yet a reality. What did exist at the time was a fragmented group of actors, with the majority of foundations working solely within their national borders. But as you will read in these pages, the pioneering EFC founders came together in 1989 with a shared vision of a stronger, more well-connected and better-informed network of philanthropic actors from Europe and beyond. Twenty years further down the road, we see this vision coming to fruition, with a thriving and valued European foundation sector, more inclined to work collaboratively to tackle issues of mutual concern. And at the epicentre of this flourishing sector is the EFC, whose members and staff continually strive to fulfil the goals so ambitiously laid out by our founders two decades ago.

Yet despite, perhaps because of, the maturation of the sector, which is outlined from the perspective of the EFC in this history, there are new challenges at hand which require robust, collective responsiveness from foundations in Europe. Global challenges such as those posed by migration, poverty, climate change and cultural conflict, to name but a few, demand that we continue to improve the coordination of our work. We are now at a significant stage where improvements to the legal and fiscal operating environments for European foundations are long overdue and require a collective voice at the EU level. Moreover, the promotion of greater transparency and accountability in our sector is becoming increasingly necessary if we are to be considered as essential players in the European project. In my view, it is vital infrastructure organisations, such as the EFC, that will be pivotal if we are to be able to confront these challenges successfully.

As we move forward together, I am reminded of the old adage that 'you can't know where you are going until you know where you have come from', which

is why I am so pleased to see the EFC's history documented in this book and the accompanying DVD. While the initial thought when it was decided to undertake the writing of this book was to pay homage to those individuals who have played key roles in the two-decade development of the EFC, ultimately I think more has been achieved by this process. Through this publication and the EFC 20th anniversary celebrations more generally, I believe that the EFC's position as an essential institution, arguably the point of connection for the diverse array of foundations in Europe, has become evident. Although the challenges ahead may be numerous, the story of the EFC is proof of what can be achieved with perseverance, common purpose and a pinch of organic creativity thrown in. What started with seven has now expanded to more than 230 member organisations, and the founding spirit of 1989 should never be far from our minds as we continue to grow as a sector and to confront obstacles with confidence.

I wish to thank all of those who have allowed their memories to be committed to paper, thereby making this book, what I hope you will agree, a worthwhile read.

Emílio Rui Vilar

President of the Board of Trustees, Fundação Calouste Gulbenkian
Chair, European Foundation Centre



Introduction

During the EFC's 20th anniversary celebrations, held in Berlin in November 2009, William S White of the Charles Stewart Mott Foundation said: 'The EFC is like a great airport or railroad switchyard: many people and ideas will flow into it.' While at the time we acknowledged this statement to be true, it was not until we began compiling this book that we realised the wide range of experiences that each person has had in that airport or railroad switchyard. Let me explain.

This is the story of the first 20 years of the EFC – at least it is one version of the story. We initially thought that assembling this publication and the accompanying DVD would be a straightforward history-telling exercise, but we soon realised that each new interview conducted to inform our tale revealed a different perspective on the same characters and events. So many people have been involved in the establishment and organic growth of the EFC that it seems there can be no single interpretation of how the last two decades have unfolded.

It is also often true that great story-tellers (of which we are surrounded by many) never tell a tale twice in precisely the same way. So I invite you to regard this book merely as the EFC's folklore. No single person has witnessed our organisation's entire story, so our narrative inevitably consists of individuals' stories and the key moments that have lodged in their memory. You are therefore holding a book which we believe is a representative blend of the recollections, anecdotes and hard facts we have collected, plus a few flights of fantasy for good measure.

Although there was a plethora of historical interpretations, there was clearly also a common theme running through the interviews. More often than not, people referred to the Centre as 'our organisation', which we felt truly represents the sense of ownership and pride that the EFC's founders, members and staff feel for it. Rather than being a faceless organisation,

which runs a conference each year, it is clear that the EFC is a body with which people feel a real connection.

In compiling this publication, we have tried to capture as many viewpoints as possible, although regrettably we were unable to talk to everyone who has influenced the EFC's history. We have tried to speak to a mix of the people who paved the way in 1989, as well as those who have since become involved in our work. My thanks to all our members, partners and storytellers who have contributed to this book.

I also want to give my sincere thanks to the incredible team of Wendy Richardson and Triona Keaveney, who deserve a fully-fledged acknowledgement for their fearlessness and dedication in taking ownership of this project over and above everything else on their plate. Without their humour, their sense of balance and especially their tireless efforts, this book would not be either in the shape it's in or in your hands.

I hope all those who pass through the EFC switchyard over the next 20 years will continue to be as imaginative, inventive and dynamic as those before them.

Gerry Salole

Chief Executive, European Foundation Centre





Chapter 1

Founding the EFC

On the evening of 9 November 1989, Raymond Georis returned from a meeting at the Erasmus House in the Brussels suburb of Anderlecht. Pleased with what had been accomplished that day, when his wife asked 'Do you know what happened today?' Georis replied 'Of course. The creation of a European network of foundations called the European Foundation Centre.' It was only then that his wife mentioned that the Berlin Wall had fallen that day: an event which would bring dramatic transformation across Europe. This coincidence, for some, also shaped the EFC's first decade of activity. Connie Higginson, former Vice President of American Express Foundation, says: 'There's nothing like a crisis or a radical political change to galvanise action, and that was certainly the case with the Berlin Wall.'

There's nothing like a crisis or a radical political change to galvanise action, and that was certainly the case with the Berlin Wall.

Connie Higginson, formerly of the American Express Foundation



Raymond Georis

Raymond Georis was Secretary General of the European Cultural Foundation in Amsterdam from 1973 to 1995. He was founding Chair of the EFC, founding Managing Director of the Network of European Foundations for Innovative Cooperation, and Chair of the Hague Club of European Foundations from 1983 to 1985. Until March 2008 he was Managing Director of the Madariaga European Foundation and he has been Chair of the board of Universal

Education Foundation from 2006 until the present. The European Mercator Fund launched a prize in his name, the 'Raymond Georis Prize for Innovative Philanthropy', which is given to a project, foundation, organisation or individual which has made an innovative contribution to European philanthropy. It is awarded each year at the EFC's Annual General Assembly and Conference.

An institution in the making

However, the EFC was not conceived during this one-day meeting in Anderlecht; it was actually an idea that had been nurtured and developed for over a decade. In 1975, Georis was Secretary General of the European Cultural Foundation. At that time, the foundation was unique, for while there was European philanthropy aplenty, the Amsterdam-based body alone delivered European-level philanthropy. During his tenure as Secretary General, Georis had learnt of an initiative by the Belgian Prime Minister, Leo Clemence Tindemans, to create a European foundation responsible for: 'Promoting greater mutual understanding between European citizens from the different Member States, so as to make them aware of their common destiny' (mentioned in *Bulletin of the European Communities*, Supplement 5/77). The idea was also later taken up by the French President, Valéry Giscard d'Estaing, who went as far as to set up an office for this European foundation in Paris.

However, following a decade of obstacles to achieving the European Foundation Treaty (which would have formally established the organisation), when ratification time finally came in 1986, the Treaty was rejected. The 12 members of the then European Economic Community had signed the Treaty, but only 11 ratified it. As with any EU Treaty today, all Member States must agree to it before it may be ratified. In this case it was the Netherlands

In 1975, the European Cultural Foundation was unique, for while there was European philanthropy aplenty, the Amsterdam-based body alone delivered European-level philanthropy.

that blocked the European Foundation Treaty. Georis explains: 'The Amsterdam-based European Cultural Foundation saw itself to be the premier European foundation that genuinely acted across the whole of Europe, and individuals associated with the foundation were against the idea of an institution being established in Paris which could jeopardise this position.'

The move to Brussels

If this Treaty had been approved in 1986, there would have been less need to establish the EFC and this history would perhaps stop here. However, with the introduction of the European foundation concept, a seed of an idea had been planted which Georis had been cultivating from the mid-1970s. It was in 1977 that Georis had first approached the European Cultural Foundation, recommending that a European Cooperation Fund be set up in Brussels. The board agreed, and the Fund was launched as a private, non-profit-making international association promoting cooperation between eastern and western European countries over training, rule of law, and culture and society. The Fund provided the framework for launching joint projects with private and public bodies, which encouraged democratic principles and promoted private and entrepreneurial initiatives.

The Fund was based in Brussels at 51 rue de la Concorde, a building that would later house the EFC Secretariat from 1989 to April 2009. Georis chose this building because he knew the owner, Gaston Deusinck. This

that blocked the European Foundation Treaty. Georis explains: 'The Amsterdam-based European Cultural Foundation saw itself to be the premier European foundation that genuinely acted across the whole of Europe, and individuals associated with the foundation were against



51 rue de la Concorde, the EFC's first home from 1989 to April 2009

relationship with Deusinck fortuitously brought Georis one step closer to the realisation of the EFC, as Deusinck later introduced Georis to a friend of his: the President of the Foundation Center in New York. Through this connection, in the mid-1980s Georis visited the Center, and was impressed at its use of technology to gather comprehensive information on grant-making and grant-seeking in the USA. Discussions began about setting up a European counterpart to the Center, with the Center even offering some of its staff to kick-start the venture. One Center employee at the time, Elan Garonzik, was later seconded to the EFC to set up the Orpheus programme, the EFC's one-time public information record and service on independent foundations in Europe (see Chapter 9). Georis's trip to New York revealed to him that philanthropy in the USA was, then, far better organised and advanced than in Europe. However, it was not until several years later that the final pieces of the puzzle fell into place to result in the EFC's establishment.

Santiago de Compostela

In October 1989 the Centro Español de Fundaciones held a meeting in Santiago de Compostela, at which Georis was invited to speak. The meeting was run by the Centro's then Director General, Antonio Saenz de Miera, in cooperation with Fundación Pedro Barrié de la Maza. Georis chose this meeting, entitled 'Foundations and Europe', to formally launch the idea of the EFC, as he felt the Spanish association was a good model for the EFC to be based on in terms of structure and staff.

Some have commented that the growth and strength of the existing national associations of donors in the 1980s explains why the EFC took so long to be born. Perhaps resources and energy were channelled into developing national philanthropic infrastructures first, rather than at European



Declaration of Santiago de Compostela on the Role of Foundations in Building the New Europe

level. Others downplay the effect national associations had on the EFC's development. When asked why creating the EFC took so long, William S White of the Charles Stewart Mott Foundation says: 'A lot of ideas take a lot of time.'

'I'm with you – Carlos.'

Carlos Monjardino, Fundação Oriente

Regardless of the reason, in Spain that October the idea of the EFC was met with little enthusiasm, with the exception of one American attending as a United Nations observer! From his standing position at the back of the room, the American gentleman agreed with Georis, noting what a good idea the EFC seemed to him. However, the rest of the room responded with a 'unanimous silence', leading Georis to believe that 'the idea is dead'. When participants gathered in the Parador Hotel facing the Santiago cathedral later that day, Georis still could not drum up enthusiasm, and returned to his room. The meeting had been successful in producing a joint 'Declaracion de Santiago de Compostela Sobre Las Fundaciones en la Construcción de la Nueva Europa' ('Declaration of Santiago de Compostela on the Role of Foundations in Building the New Europe'), which called on European and national authorities 'to take the measures needed to support and consolidate the not-for-profit sector and to foster changes in the legal and fiscal regulation of foundations in order to use all their capabilities at the service of the citizens of the new Europe.' However, Georis's aim of officially launching the EFC had been dashed. Disappointed, he stopped at the reception desk to collect his key and found a note from Carlos Monjardino of Fundação Oriente simply saying 'I'm with you – Carlos.' This short note gave the EFC its first member and set the ball rolling. To this day, Spanish EFC members often express their pride in their country's key role in establishing the Centre.

The Hague Club

While the idea of the EFC was beginning to take root, it is important to note that a different kind of European foundation network already existed. In spring 1969 executives from ten European and ten US foundations met at the Villa Serbelloni in Bellagio. The meeting was jointly convened by the Rockefeller and Ford Foundations and was regarded as a great success, and as a result the European participants agreed to remain in close contact, beginning the process which would result in the Hague Club.

The Club, named after the town where the group's preparatory work had largely been carried out, was officially launched at the 1971 International Foundations Meeting

in Turin. The 'founding members' are considered to be Gotthard Gambke of the Volkswagen Stiftung, Ubaldo Scassellati of Fondazione Giovanni Agnelli, Willem Welling of the Bernard van Leer Foundation, and Peter Williams of the Wellcome Trust. Unlike the EFC, membership of the Hague Club has always been by invitation only (to individuals and not institutions) and the Club's activities and discussions remain largely unknown to non-members. Instead of being a formal trade association, the Hague Club was originally seen as a traditional gentlemen's club, and was initially based on the model of the US Foundation Executive Group, created in the late 1950s by John Gardner of the Carnegie Foundation

for the Advancement of Teaching. The Foundation Executive Group had originally been formed to discuss laws that were being developed as a result of the McCarthy hearings. But, like the Hague Club, no record of the group's meetings is made public.

How far did the Club influence the EFC's conception? One source close to both bodies suggested that the EFC could be considered the 'natural child' of the Hague Club, testifying to the ambiguous, yet somewhat patrimonial, relationship that exists between the two. The one consensus that does exist is that the history of the EFC is inextricably linked to that of the Hague Club.

Early momentum

Georis now had support from an organisation which was also a member of the Hague Club, and others would soon follow.

Following his return from Santiago de Compostela, Georis met with Michael Brophy, then Chief Executive of the Charities Aid Foundation, who responded positively to news of a developing Europe-wide network of foundations. With Brophy on board, Georis then travelled to Leningrad for a meeting convened by the Gorbachev Foundation, which ultimately would be of significance for two reasons. First, following the meeting, Georis travelled directly from Leningrad to Helsinki for a meeting of the Hague Club with Horst Niemeyer of the Stifterverband für die

Deutsche Wissenschaft. During this train ride, Niemeyer expressed his interest in becoming the third founding member of the EFC. Significantly, Georis now had support from an organisation



(L – R) Horst Niemeyer,
Michael Brophy and
Raymond Georis (1989)



Michel Didisheim,
Managing Director of the
King Baudouin Foundation
during the EFC's
establishment.

which was also a member of the Hague Club, and others would soon follow. Georis also used the occasion of the Helsinki Hague Club meeting to discuss the EFC idea with Michel Didisheim, then Managing Director of the King Baudouin Foundation. Didisheim supported the idea, also agreeing to be a founding member.

Second, the Leningrad meeting illustrated how the political situation in the former Soviet Union was rapidly changing. On the border crossing of the then Soviet Union to Finland, border guards stopped the train and demanded that all passengers open their luggage for inspection. In Georis's bag the guards discovered newspaper articles about the then director of the Gorbachev Foundation, which caused a certain amount of consternation from officials on patrol. During that period, many existing Soviet authorities and trade unions were putting their wealth into foundations, most likely because they could see the writing on the wall.

Safeguarding money in a foundation was a means by which an important Commissar could perpetuate his power, position and privilege in the case of the collapse of the Communist Party. The hostile reaction of the border guards to Georis's newspaper articles on the subject was a clear signal that tension was building around the unstable future of the Communist Party.

The magnificent seven

Following Georis's eventful visit to Leningrad and Helsinki, he received a message from Sylvie Tsyboula, then Deputy Director of Fondation de France, which became the EFC's fifth founding member. Georis now had five well-known European foundations backing his idea, and he began to speak more confidently about his intention to launch the EFC. A foundation from the Netherlands, Stichting Koningin Juliana Fonds, then agreed to become the sixth founding member and Georis's employer, the European Cultural Foundation, also backed the idea, completing the original seven founding members. Georis canvassed the members, enquiring about their availabilities for a first face-to-face meeting. It seemed that 9 November 1989 was the only date they all had available, so plans for the first meeting in Anderlecht were initiated.

An auspicious launch

Before November 1989, Georis spoke to a close contact who was running the Eurydice programme, headed by the European Cultural Foundation for the European Commission. Eurydice's Director, John Richardson, was on the Foundation's payroll, and had already worked with Georis on several foundation-related projects, making him the natural choice to head the new EFC initiative. The meeting in November 1989 was the first formal EFC-related meeting that Richardson attended. Unbeknown to those assembled at the Erasmus House, vast events were unfolding in Berlin which would divert attention from that day's discussions. The EFC's founders heard a speech by Robert Picht, President of the European Cultural Foundation Executive Committee, and celebrated the EFC's official launch.

The Foundation of Polish Culture also attended on 9 November and joined the seven founders. Although some founding members were reluctant to include foundations from central and eastern Europe or the USA in the initial EFC concept, Georis upheld the European Cultural Foundation's tradition of welcoming partners regardless of geographic origin. Georis describes this attitude as 'L'Europe sans Rivages' (Europe without borders), which became the EFC's underlying philosophy.

Although some founding members were reluctant to include foundations from central and eastern Europe or the USA in the initial EFC concept, Georis upheld the European Cultural Foundation's tradition of welcoming partners regardless of geographic origin.

The Eurydice network

The Eurydice network was set up in 1980 by the European Commission and Member States as a strategic mechanism to boost cooperation, by improving understanding of education systems and policies.

Right: Discussions under way at
Erasmus House launch

Below: (L – R) Raymond Georis and
John Richardson at the launch



The Wall's effect

The effect of the fall of the Berlin Wall, which also occurred on 9 November 1989, is a somewhat contentious matter in the EFC's history. Some argue that the coincidence created positive momentum, as the attention being focused on central and eastern Europe became a rallying point for new foundations joining. Georis asserts that: 'Without the fall of the Berlin Wall we would not have found the way to bring together foundations from all over the continent.' Richardson agrees: 'The essential thing was that we had a cause, and so we were lucky that the attention turned to central and eastern Europe when it did.' He readily admits that the EFC 'rode the back of history'. Others claim that the fall of the Wall deflected attention from the EFC's original mission, to represent the European foundation sector at EU level. Luc Tayart de Borms of the King Baudouin Foundation notes: 'The EFC was created to represent and push the foundation sector towards the official European institutions, but because of the fall of the Berlin Wall our attention went away from Brussels to eastern Europe in large part.'

Some believe the move away from the EFC's initial remit towards an eastern focus was led mainly by American foundations, which saw the EFC as a vehicle for their own goals in the region. What followed was a culture within the EFC by which programmes and projects focusing on the region received adequate funding (largely from US foundations), while money for core business and activities was more difficult to attract. While the funding situation of the EFC has undoubtedly improved since 1989, shades of the issue of reliance on American funders still exist today, the seeds of which may have been planted at the very beginning of the EFC.



The EFC's first newsletter

Without the fall of the Berlin Wall we would not have found the way to bring together foundations from all over the continent.

Raymond Georis, Founding EFC Chair

A chance encounter

is William S White of the Charles Stewart Mott Foundation. White was working with European foundations as early as 1980 following a joint meeting of the US Foundation Executive Group and the Hague Club in Amsterdam. At this meeting, White was introduced to Georis, and the two stayed in touch. In 1990 White, interested in how civil society was responding to the changing political climate in central and eastern Europe, attended a meeting with a number of Polish NGOs in Krakow, organised by Lester Salamon of Johns Hopkins University. Many of the meeting participants were travelling by bus to Warsaw immediately following the meeting, and White dutifully boarded the bus at 7 in the morning, as he had been instructed. Another chance encounter was about to occur which would also heavily influence the early direction of the EFC.

A man sitting in front of White's improvised bed was boasting loudly about a new organisation which promised to bring all of Europe together, the EFC. White finally shouted out: 'Shut up and I'll buy it!' The speaker then introduced himself as John Richardson, the EFC's first Chief Executive.

together, the EFC. White finally shouted out: 'Shut up and I'll buy it!' The speaker then introduced himself as John Richardson, the EFC's first Chief Executive, and much like Raymond Georis and Horst Niemeyer had joined forces while travelling by train from Leningrad to Helsinki the year prior, he and White swiftly found common cause on their bus journey across Poland.



William S White at the 1990
Bruges AGA

The early days

While the EFC was using the changing situation in central and eastern Europe as a catalyst to attract more members, there were initial differences of opinion about the EFC's role and what services it should provide. As Richardson explains: 'There was an internal debate in the EFC at the time, as there were people who had a technical notion about what the EFC should do because that had been the original idea: to set up information systems and become like the New York Foundation Center. There were other people, like me, who wanted to have a political thrust for the organisation, which was about building civil society.' Ultimately the second approach prevailed, and the EFC jumped into the deep end with ambitious activities.

While the EFC was using the changing situation in central and eastern Europe as a catalyst to attract more members, there were initial differences of opinion about the EFC's role and what services it should provide.

Notably, the Charles Stewart Mott Foundation and Fondation de France jointly funded and drove the EFC's flagship New Europe programme, whose main thrust was to build civil society in central and eastern Europe with a range of organisations, not confined to foundations, from across Europe. The partnership was apt, given the Charles Stewart Mott Foundation's growing interest in the region, and the fact that Tsyboula was, according to Francis Charhon of Fondation de France: 'Very convinced of the European vision at that time.'

Both organisations remain ardent EFC supporters, which White says is because he witnessed how hard it had been to develop the US philanthropic infrastructure in the 1970s: 'I learned from the American experience that it took a long time to gain support for such organisations and I brought that thinking with me . . . The EFC was a good thing for Europe, foundations needed a central place to gather and to advocate for a statute,



Left: John Richardson and
Sylvie Tsyboula (1990)

Right: First of many: 1990
Bruges AGA



but . . . they were not going to have the money they needed to do it. That is one of the reasons that we have stuck with the EFC all this time and put in extra money.' Charhon agrees: 'With all organisations that are just being created, it is very difficult at the beginning because there is a lack of money and you must have a lot of will, a lot of energy.'

With all organisations that are just being created, it is very difficult at the beginning because there is a lack of money and you must have a lot of will, a lot of energy.

Francis Charhon, Fondation de France.

Asked what was the proudest moment of the EFC's early years, Richardson replies: 'Survival! Running an association is a very difficult thing!' But despite the difficulties, the EFC progressively found its niche. To share news of its progress, the EFC's first Annual General

Assembly and Conference (hereafter for brevity referred to simply as the AGA), 'Foundations for Europe: New Europe, New Wealth, New Funding' in November 1990 gathered 68 participants in the Belgian town of Bruges.





(L – R) Francis Charhon,
Ragnhild von Keudell-
Niemeyer and Carlos
Monjardino

Points of agreement

Everyone gives a slightly different version of the EFC's foundation. However, all those who were present in the EFC's early years agree that colleagues at that time were also close friends. White recounts: 'Particularly during the early days, a lot of friendships were formed, and you know it doesn't sound like much, but I think that's very, very important. It means you are willing to let down your hair . . . You're willing to say things that ordinarily you wouldn't say to a stranger.' Many feel that the tight relationships formed through the EFC network are one of the organisation's proudest achievements. Üstün Ergüder of the Third Sector Foundation of Turkey (TÜSEV) has been involved with the EFC since 1994 and most appreciates 'the friendships you develop: I've come to meet people from all different walks of life.' These strong bonds have largely formed the basis which has allowed the EFC to grow and mature. Charhon agrees: 'The EFC created a network of people, not only of organisations, but a network of people, who are very committed and very confident.' Today, they continue to be the cornerstone of the organisation.



Photos on this page are taken from the EFC 20th anniversary conference, held 9 November 2009 in Berlin.

Centre: (L – R) Carlos Monjardino and Raymond Georis

Right: (L – R) John Richardson and Charles Buchanan, Fundação Luso-Americana para o Desenvolvimento, an EFC member since 1993



Chapter 2

The Wall's effect: Focus on central and eastern Europe

Two decades ago the Berlin Wall, and all that it represented, fell and sparked the beginning of what would be a new era for Europe. The Wall's collapse symbolised momentous change across central and eastern Europe (CEE) which would forever alter the continent's landscape. But it was not enough just to replace communist regimes with democratic ones; civil society had to be bolstered and expanded as democracy's cornerstone. Citizens' movements played a key role in ending communism. But once the region's transformation began, thousands of new civil society organisations emerged which had to be funded and linked up. It was here that foundations, both European and American, came into the picture. As an EFC founding father, Carlos Monjardino of Fundação Oriente noted at the first AGA in 1990 that the EFC had to 'play an unforeseen role' in helping CEE

It was not enough just to replace communist regimes with democratic ones; civil society had to be bolstered and expanded as democracy's cornerstone.

Launch of New Europe
programme



countries given the historic events. The EFC, with its still small but growing membership, was immediately active in the region. While some claim that US foundations led Europeans by the hand in CEE, it remains true that some of the EFC's most palpable successes were in that region.

The new Europe

In its early years, the EFC often referred to Europe after the wall's collapse as the 'new Europe'. To underscore its commitment to the region, the EFC's first programme was its New Europe programme, an initiative which engaged foundations, associations and corporates in cooperation with the European Commission. Its main aim was to help build civil society in CEE by bringing together regional civil society representatives with their western European and American counterparts. The programme targeted major civil society organisations across Europe, and culminated in a conference at UNESCO's Paris headquarters in July 1992. The event was an important catalyst for initiatives in CEE and beyond, and spurred the creation of several national associations of foundations, as well as laying the foundations for CIVICUS (an international alliance dedicated to strengthening citizen action and civil society throughout the world). Through the New Europe programme, the EFC pursued its goal of developing foundation and civil society infrastructure and networking in CEE, and fostering new foundations in the region.

Through the New Europe programme, the EFC pursued its goal of developing foundation and civil society infrastructure and networking in CEE, and fostering new foundations in the region.

While the EFC was launching the New Europe programme, it also sought greater coherence for CEE grant-making, by encouraging donors in the region to share experiences, develop partnerships and reduce duplication.



Above: Launch of the
New Europe programme
(October 1991)

Right: Angelika Krüger,
long-time supporter of the
EFC, speaks at New Europe
programme launch





Launch of New Europe
programme

In the EFC framework, various donor organisations' representatives met in Bratislava in October 1991. Chaired by Michael Brophy, then Chief Executive of the Charities Aid Foundation, the EFC 'Cross-Frontier Grantmaking and Partnerships in CEE' interest group emerged as a result. Its mission was to promote the development of civil society in CEE by giving funders a platform to increase the effectiveness of their grant-making and encourage new donor activity.*

Despite these early successes, there was initial tension from some western European EFC members about the amount of attention being paid to the east in the Centre's initial years. Some members believed strongly that the historical coincidence of 9 November 1989 was over-emphasised during this period. Luc Tayart de Borms of the King Baudouin Foundation says of the early attention paid to CEE: 'With that also came US money, because for the Americans it was also a way to support what was happening in eastern Europe. So the Berlin Wall falling created momentum, but at the same time it distracted the attention away from Brussels.' He also notes that 'During the first ten years of the EFC, we were fighting a lot about this.' During Tayart's time as EFC Chair (November 1999 to June 2002), the Berlin Blueprint (see Chapter 5) was developed, which attempted to build on the first decade of the EFC's achievements in CEE, and to redirect EFC attention to representation at the EU institutions.

The Berlin Wall falling created momentum, but at the same time it distracted the attention away from Brussels.

Luc Tayart de Borms, King Baudouin Foundation

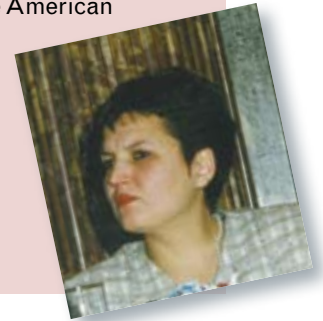
*The longest running EFC interest group, the Cross-Frontier Grantmaking and Partnerships in CEE group, was later known as Funding East, followed by the formation of the Grantmakers East Group, now known as the Grantmakers East Forum.

Getting acquainted

The CEE focus was appreciated by many foundations in the region, as Mall Hellam of the Open Estonia Foundation remembers: 'It was very important that in the beginning of the 1990s, the EFC was very interested in central and eastern Europe and the Baltics. The EFC closely followed the important events, the history . . . I remember that John Richardson organised a trip to the Baltics to discover that

part of the world and to get more contacts with foundations . . . I personally appreciated this involvement and this interest very much at that time. Of course, there were few really traditional or classic foundations in our region, but we were in the process of learning about them. I personally received lots of information and ideas from the EFC at that time. We were able to see how the European foundation

world was functioning and really felt that we had support in Europe . . . it was a good combination of the American experience and the European one.'



Mall Hellam of the Open Estonia Foundation

Spotlight on the east

The growing CEE presence and the challenges the region faced was a recurring theme at early AGAs. At the first conference in 1990, entitled 'Foundations for Europe – New Europe, New Wealth, New Funding', considerable attention was paid to the region. Werner Ungerer, rector of the College of Europe in Bruges, sought to avoid having 'two kinds of Europe', which included helping CEE countries to help themselves, a project in which foundations could play an important role. At the conference, William S White of the Charles Stewart Mott Foundation said he wished to help CEE through the EFC. This was substantially fulfilled over the next decade. Shannon Lawder, also from Mott, speaks of her foundation's involvement: 'Had the . . . foundation not been around, maybe the EFC might not have done as much with eastern Europe, just because that was always our foundation's interest in Europe. Through our voice on the EFC Governing Council, and through our grants, we supported a lot of the specific projects which focused on eastern Europe.'

Three years after the fall of the Wall, the changes it brought were prominent at the 1992 Bonn AGA. The noted scholar Lord Dahrendorf said that building civil society in the new democracies was the: 'Greatest single challenge

Through our voice on the EFC Governing Council, and through our grants, we supported a lot of the specific projects which focused on eastern Europe.

Shannon Lawder, Charles Stewart Mott Foundation

for the voluntary sector.' The 1993 Prague AGA was the largest and most ambitious to date. Its venue was a clear indication of CEE's importance to the Centre. At a dinner in Prague Castle, the Czech President Vaclav Havel, leader of the 'velvet revolution', met participants. The keynote speaker was George Soros, founder of the Soros network of foundations which operated in 19 former Soviet bloc states. At that time Soros was the most active western philanthropist operating in CEE, providing millions of dollars to civil society and educational organisations. He said that: 'The networks we operate are dedicated to building a solid infrastructure of democracy' in CEE and the formerly Soviet newly independent states (NIS). Another speaker, Leopold Giunti, the EU ambassador in Prague, focused on the European Commission's PHARE (Poland-Hungary Assistance for Economic Restructuring) and TACIS (Technical Assistance to the Commonwealth of Independent States) programmes. These European-level initiatives



Participants at the 1993
Prague AGA





George Soros (second from right) delivers keynote address at 1993 Prague AGA

gave technical and financial assistance to CEE and NIS countries. As with the EFC, growth and prosperity in that region were key concerns of the Commission. Throughout the 1990s the EFC kept close track of both programmes, intervening several times.

The spotlight remained on CEE at the 1994 London AGA, where Peter Leuprecht, Deputy Director of the Council of Europe, agreed with Havel's description of communism's fall as a turning point comparable with the fall of the Roman Empire. He also criticised 'pan-economic' thinking in CEE which stressed the market economy and de-emphasised social and economic rights. The 1995 Seville AGA saw the first sessions run by the Funding East interest group, where the mismatch between grantmaker and grant-seeker priorities in CEE was seen as the main problem, despite important progress elsewhere. Dario Disegni of Compagnia di San Paolo says of the EFC's enduring vision of an inclusive Europe: 'I think the EFC played an important role in the process of European unification. We always had a broader idea of Europe and we involved foundations and civil society organisations from central and eastern Europe . . . that was the Europe of foundations. Today, most of those countries are part of the EU . . . We hosted the AGA . . . in some of those countries. A few people at the time said "that's not Europe" and we said "that *is* Europe".'

I think the EFC played an important role in the process of European unification.

We always had a broader idea of Europe and we involved foundations and civil society organisations from central and eastern Europe.

Dario Disegni, Compagnia di San Paolo

Building infrastructure – Orpheus

Perhaps one of the EFC's key steps in helping develop CEE civil society was the 1992 establishment of the ambitious Orpheus Civil Society Project (explained in Chapter 9). The project supported the development of resource centres serving foundations, associations and other non-profits, and promoted civil society development in CEE. It chiefly aimed to strengthen existing centres by focusing on management training, information and communication, funding from foundations and corporate donors, advocating favourable legal and fiscal environments, and promoting sectoral self-awareness. In late 1994, ten resource centres were participating in the project. By 2001 there were 34. Lawder, speaking of Orpheus's importance in the 1990s, says that at the time the eastern European centres 'were truly the focal point for civil society in those countries, and they were doing very important work to help build the legal

The Social Economy and Law (SEAL) project



One initiative launched under the Orpheus framework was the Social Economy and Law (SEAL) project, which centred on the SEAL Journal, published three times a year. The journal focused on the legal and fiscal environments for foundations, associations and other non-profit organisations, mainly in CEE. This environment was in ferment, as legal frameworks had to be altered or created from scratch in response to the growth of civil society after 1989. Carlos Monjardino wrote in the first issue: 'Simply put, the purpose of SEAL is to inform in order to assist reform.' Twenty issues of the journal were published between 1998 and 2006, with articles from some 300 contributors in 45 countries.

The Orpheus project expanded and deepened the information and resource centre network, particularly the creation of new national centres in south-eastern Europe.

infrastructure for the non-profit sector and philanthropy in the region. Now things are much more sophisticated . . . However, at the beginning these kinds of one-stop shop resource centres were very important and I think the EFC's work with those centres was very valuable.'

The Orpheus project undertook various initiatives in the late 1990s. The success was reinforced by the decision to set up a satellite EFC office in Warsaw, as a link to the EFC's numerous activities in the region. Among the more noteworthy was the Twinning project, which paired older, more experienced centres with newer ones to transfer know-how and boost the older ones' consultancy skills. The project sought to enhance the centres' capacity to share basic information with funders and grant-seekers. The project expanded and deepened the information and resource centre network, particularly the creation of new national centres in south-eastern Europe, building information services outside capital cities, and expanding project activities to the Caucasus and Central Asia.



Responding to changing contexts

The EFC quickly became skilled at adapting to regional developments. In the wake of the 1999 Kosovo conflict, the EFC paid particular attention to the problems facing south-east Europe.

The Centre's new International Committee (see Chapter 3) began a dialogue with the European Commission in 2000 to raise awareness of challenges in the Balkans and promote cooperation with foundations on regional issues. Meanwhile, the EFC's Trans-Atlantic Donors Dialogue programme, an informal network of European and US private and public donors, held a conference called 'Donors for Peace and Stability in South Eastern Europe' in July 2000. To follow up, the group issued a draft position paper that October entitled *Towards Peace and Stability in South Eastern Europe: The Case for Partnership between Independent Funders and Public Authorities*.

The Enlargement Task Force was a place where we exchanged information and set the agenda about how we should introduce Europe to non-EU member states.

Mall Hellam, Open Estonia Foundation

Given the situation of EU candidate countries, at the 2001 Stockholm AGA, the EFC Governing Council established the EU Enlargement Task Force to promote philanthropy in the wider Europe, including the western NIS, paying particular consideration to future EU members.

The Task Force sought to identify common needs and priorities among independent funders active in enlargement countries. It also promoted independent funders' unique role in the enlargement process, and improved access to EU institutions. Hellam, the group's Chair, reflects: 'It was a place where we exchanged information and set the agenda about how we should introduce Europe to non-EU member states . . . we simply wanted to know more about the EU, and the foundations from the EU member states who belonged on the task force were interested in knowing more about us.' The Orpheus project launched a complementary initiative

in 2001: 'EU Enlargement: Get Involved' which aimed to help the network get involved in the enlargement process.

In its first year, the Enlargement Task Force began working on a major EFC member survey on EU enlargement to identify current initiatives and views, and plan future action. The same year, a Task Force delegation visited Estonia and secured the parliament's commitment to formal regulation of relations between civil society and government. In 2003 the Task Force visited Hungary, coinciding with a national debate on partnerships between civil society and public authorities and a national referendum on EU membership.

Building trust

In 2000, the EFC returned east for the Krakow AGA. The opening plenary focused on the re-emergence of foundations in Poland. Most of them were operational rather than grant-making, and their attitude towards the state had become less oppositional and more cooperative. At a special conference session, several EFC members launched a joint initiative, the Trust for Civil Society in Central and Eastern Europe. The Charles Stewart Mott Foundation, Ford Foundation, German Marshall Fund of the United States, Open Society Institute and Rockefeller Brothers Fund pledged US\$75 million to the Trust over ten years. The Trust's mission was to sup-

port the development and long-term stabilisation of civil society in seven CEE countries, to help bridge the gap until adequate indigenous funding became available.

The Trust has become a major player in CEE, and in 2007 channelled over US\$8 million to the



Trust for Civil Society
in Central and Eastern Europe

Being part of this constellation of very different foundations is really an excellent experience not only for myself, but . . . also for colleagues who come from the region.

Rayna Gavrilova, Trust for Civil Society
in Central and Eastern Europe

region. Rayna Gavrilova, the Trust's current Executive Director, says of the Trust's enduring relationship with the EFC: 'The most important thing as a region is really to be a member of a bigger community . . . It is so extremely important because sometimes regions . . . overemphasise their uniqueness and their specificity, and being part of this constellation of very different foundations is really an excellent experience not only for myself, but . . . also for colleagues who come from the region.'

Meeting the neighbours

By 2000 Russia had become increasingly influential for the EFC and its programmes. In 2001, Orpheus project leaders met representatives of Russian centres serving civil society in Moscow. The centres showed great interest in cooperating with the network at a workshop held by the Eurasia Foundation and Charities Aid Foundation, both EFC members. In 2002, another EFC delegation headed by then EFC Chair Disegni visited Moscow to learn about the environment for philanthropy in Russia and how to boost private giving. The delegation met top corporate foundation leaders like Mikhail Khodorkovsky, Vladimir Potanin and Alexander Zimin, and government officials including the Deputy Prime Minister and Deputy Chief of the Presidential Administration. Encouragingly, these officials pledged to revise regulations which obstructed foundations and grantees.

The mission was immediately followed by the 2002 Grantmakers East Group Annual Meeting in Moscow, the first ever in Russia. 'It was both a huge challenge and an opportunity for a country with young philanthropy but without yet the official organisation of the Russia Donors Forum.

But we were very dedicated and keen to have the international community come to Russia and to show them what philanthropy can look like, what Russians are doing in philanthropy, and what is the substance of philanthropy in Russia', says Natalya Kaminarskaya of the Russia Donors Forum. The group exchanged know-how and information with representatives of Russian civil society and indigenous grantmakers, and the gathering generated great interest in Russian civil society.

"We were very dedicated and keen to have the international community come to Russia and to show them what philanthropy can look like, what Russians are doing in philanthropy, and what is the substance of philanthropy in Russia."

Natalya Kaminarskaya, Russia Donors Forum

EFC delegation to Russia participants: (L–R) Igor Beketov of the Lukoil Foundation, Dario Disegni of Compagnia di San Paolo and Ray Murphy of the Charles Stewart Mott Foundation





Enlargement realised

On 1 May 2004, eight CEE states – the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia – joined the EU. It was now time for the EFC to look beyond the borders of the newly enlarged EU. In 2004 the EU launched its European Neighbourhood Policy to share the benefits of EU enlargement with neighbouring countries and prevent the emergence of artificial

divisions between the enlarged EU and its neighbours. A policy framework was created for the joint pursuit of peace, stability and prosperity. Inspired by the European Neighbourhood Policy, the EFC developed a 'Good Neighbours' programme focusing on countries adjoining the newly enlarged EU, with the aim of boosting effective and transparent organised giving. The programme

sought to galvanise EFC members and their partners to run projects in several areas: Belarus, Moldova and Ukraine, Russia, south-east Europe and Turkey. The programme signalled the end of the Enlargement Task Force's mandate and took over its work, while complementing the growing Grantmakers East Group.

The 2001 Good Neighbours meeting

The evolution of Grantmakers East

The Funding East group – originally called the Cross-Frontier Grantmaking and Partnerships in CEE interest group, and later the Grantmakers East Group (GEG) and the Grantmakers East

Forum (GEF) – grew to become a mini-conference within a conference, where CEE matters could be discussed. While CEE was a consistent topic at EFC meetings and AGAs, the Funding East group and its successors established itself as the forum for grantmakers in the region to exchange views. Ingrid Hamm of the Robert Bosch Stiftung believes this network is one of the EFC's major achievements: 'The most important value the EFC brought to European foundations happened in central and eastern Europe . . . the EFC was the vehicle that provided the Grantmakers East Group. It was instrumental in getting western European foundations



(L – R) Walter Veirs of the Charles Stewart Mott Foundation and Hidde van der Veer of The Netherlands Ministry of Foreign Affairs (2006 GEG Annual Meeting)

involved, and in bringing together foundations and NGOs from that part of Europe . . . you cannot estimate the value of this enough. When you have a learning platform that you can rely on like the Grantmakers East Group, that's very helpful.' At the closing plenary of their 1998 meeting, Ray Murphy of the Charles Stewart Mott Foundation affirmed that CEE was one of the world's most vibrant and rapidly developing regions. In 2000, the GEG annual meeting was held separately from the AGA for the first time – in November in Warsaw – becoming a major event in its own right and marking a new independent era. Thereafter all annual meetings took place in CEE.

Another key year for Grantmakers East was 2005, with the forum's tenth Annual Meeting in Kiev, where the Orange Revolution had taken place less than a year before. The group held an external review to explore its

When you have a learning platform . . . that you can rely on . . . like the Grantmakers East Group, that's very helpful.

Ingrid Hamm, Robert Bosch Stiftung



GEG participants in
Belgrade with Boris Tadic,
President of the Republic
of Serbia (centre), at 2006
Annual Meeting

impact and to define its future in the light of recent changes in CEE and the NIS. The report, *GEG in Times of Change: Ten years of the European Foundation Centre Grantmakers East Group*, concluded that the group had been successful as a learning and exchange framework for grantmakers operating in the region, but it had to adapt to emerging trends. Pressing issues included many US donors' departure from the region, the impact of new EU funding on civic organisations, and the now imperative need to promote indigenous grantmakers.

The relationship between Grantmakers East and the EFC today is solid. The 2005 evaluation noted strong consensus that the group should continue to operate within the EFC framework and called for closer coordination and regular consultation between the two bodies. There were follow-up discussions in the group's Steering Committee in 2006 and 2007. The clear challenge now was how annual meetings could respond to emerging trends, and better respond to the needs of organisations working in the region while engaging participants more actively about challenges.

Funders working in the heyday of democratic transition in the post-communist countries realised it would be beneficial for them to have a separate meeting that met alongside the AGA and Conference and then spun out into a particular event that was distinct but stayed under the EFC umbrella.

Ivan Vejvoda, Balkan Trust for Democracy

The evaluation and follow-up brought profound changes to the group's flagship event.

In October 2007, the first meeting under a new format and name, the GEF, was held in Tallinn. The accession of Bulgaria and Romania to the EU in January 2007 brought a further dimension to that year's discussions. Tallinn marked a fresh start and in October 2008, the sec-

ond Forum was held in Dubrovnik. Both annual meetings were considered great successes because the format was far more interactive, and quality was emphasised, with plenaries covering big-picture topics. These changes have begun to influence the AGA, which in 2009 for the first time featured auctioned sessions, more engaging formats, and an interactive fair. Another important change from the GEF days has been the increasing proportion of people from the region representing foundations based in CEE, which is also reflected in the group's leadership. For the first time Steering Committee chairs come from indigenous foundations. As a result, western viewpoints are no longer so dominant, and many believe there is a better balance between western and eastern perspectives.

Ivan Vejvoda of the Balkan Trust for Democracy says: 'What was important was that the EFC allowed for a realisation . . . that funders which were working in the heyday of democratic transition in the post-communist countries realised it would be beneficial for them to actually have a separate meeting that met alongside the AGA and Conference and then spun out into a particular event that was distinct but stayed under the EFC umbrella . . . it was a very reasonable and forward-looking move, because the challenge of democratising authoritarian communist societies was a very specific one



GEF participants in Tallinn
(2007)

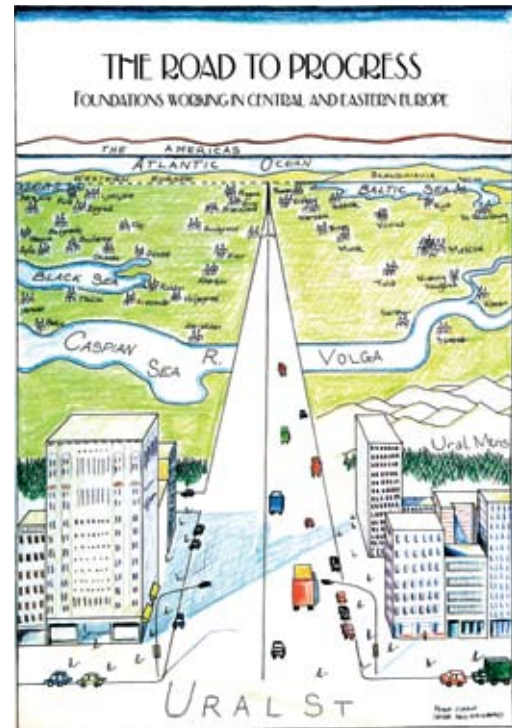
at a certain point in time. The group allowed both big and small European and American foundations to actually focus on what were the particular issues . . . and set up institutions that prior to that point had not existed because of the authoritarian nature of communist countries. Overall, the relationship with the EFC has been very beneficial.' The strong relationship continues as illustrated in 2009 when the GEF took place in Berlin in conjunction with the EFC's 20th anniversary celebrations.

Keeping east on the agenda

Although the Orpheus project's Advisory Board made the network independent in January 2005, the last SEAL journal was published in May 2006, and the EFC's Warsaw office closed that year, involving CEE in EFC's activities continues to be both a priority and a challenge.

The Grantmakers East Forum's link to the EFC continues to be reinforced, and the annual forum is a centrepiece of the EFC's year. In 2006 another CEE-related programme, the International Fellowship Programme for Learning and Exchange in Philanthropy, which focused on CEE foundations and NGOs, also moved to the EFC's Brussels home. The programme had been based at the Robert Bosch Stiftung (see Chapter 8). The EFC's flagship magazine, *Effect*, first published in 2007, has frequently included stories from the region. The summer 2008 issue featured an extensive section on CEE. Vejvoda stresses the importance of building on all the EFC's achievements in CEE: 'It would be detrimental to this whole investment, human and otherwise, into the particular focus on post-communist societies and how philanthropic activities can aid this process forward to lose a lot of the experience that went into that . . . there are many beneficial insights as well as professional and human experiences that other regions could benefit from . . . maybe some emphasis should be put on actually bringing some of those CEE

Page from the summer 2008 issue of *Effect*



lessons learnt out.' The EFC agrees, and seeks the best channels to incorporate these insights.

On the other hand, including organisations from CEE in EFC activities continues to be rather a struggle, and many believe that the EFC's membership fees deter smaller foundations from the east. Iwona Murphy of the Kronenberg Foundation underlines the importance of persevering: 'The EFC should be increasingly open to more organisations from central and eastern Europe . . . we are not represented enough in the EFC, taking into consideration how rapidly the third sector is developing and growing in our region. Obviously we are young foundations, and maybe not as rich as our colleagues from western Europe, but we are here and we want to be active.' Representation of CEE organisations on EFC governing bodies hit a low in 2008 and 2009, prompting the EFC's Chair, Emílio Rui Vilar of Fundação Calouste Gulbenkian, to encourage EFC members to take greater

I hope that 20 years from now the east-west issue will be completely gone . . . and that people will be talking about one Europe and the needs of foundations in one Europe.

Shannon Lawder, Charles Stewart Mott Foundation

account of geographic distribution when voting in Governing Council elections. But as Maria Chertok of the Charities Aid Foundation Russia observes: 'The management of the EFC is keen to have more representatives from our region on the Governing Council, but the message is still not getting through to the membership.'

Looking to the future, Lawder feels: 'We should get beyond this east-west issue, and I hope that 20 years from now that will be completely gone . . . and that people will be talking about one Europe and the needs of foundations in one Europe.' The EFC's 20th anniversary celebrations in Berlin in November 2009, held jointly with the annual GEF, sent an important message according to Vilar: 'The fact that our commemorations were followed by the Grantmakers East Forum was a visible sign of the willingness from





William SWhite addresses
GEF (November 2009)

European foundations to help the building of a stronger civil society in the countries which were under Soviet oppression.'

The CEE region has taken great strides since 1989, and the EFC has found its own role to play in the process. Whether it was the Americans who led the Europeans to the region or not two decades ago, Europeans have left a distinct footprint there in the meantime. Pavol Demeš of the German Marshall Fund of the United States notes: 'The US, which was so helpful in bringing changes about in Europe, has since 11 September 2001 become a rather different country, shifting its focus to other problems and continents.' In addition, given the current financial climate, the road to EU accession and integration for the remaining countries in eastern Europe may be even bumpier than that faced by the ten CEE nations which have joined the EU since 2004. So this may be the moment for European funders to make an even bigger mark in the region, independently of their American counterparts.



Chapter 3

Bringing together a diverse membership

W

Whether there are seven or 230+ members, the EFC's prime objective has always been to serve its members. But with the EU's expansion, the EFC has been confronted with the immense task of serving an ever-diversifying group of members with dissimilar legal systems, languages, understandings of what 'foundation' means, and countless other cultural differences. Unlike the USA, with its single government, distinct legal parameters, and common language, the EFC has been on its mettle to understand and represent its members' interests. Yet this diversity is also what makes EFC membership unique. Stephen Pittam of the Joseph Rowntree Charitable Trust says: 'One thing we notice at EFC meetings is that many of the Italian banking foundations and some of the bigger foundations from Germany, Belgium, etc, are much larger than we are, as well as having a very different operational style. They often run their own programmes whereas our style is to empower NGOs to undertake the work.'

One thing we notice at EFC meetings is that many of the other foundations have a very different operational style. So quite exactly how we all tie up is part of the exciting and adventurous experiment!

Stephen Pittam, Joseph Rowntree
Charitable Trust

So quite exactly how we all tie up is part of the exciting and adventurous experiment!' For the complete picture of how the EFC has attained its growth in members (the EFC currently has some 230+ members), it is necessary to look back at membership developments: successful outreach campaigns, less successful recruitment efforts, and an unceasing ambition to be the voice of European philanthropy.

Looking east

The EFC's seven founding members, agreeing with Raymond Georis's philosophy of 'l'Europe sans Rivages', recognised that to have a legitimate voice at the EU level, members from throughout Europe would quickly need to be brought on board. In an early attempt to recruit members across the continent, and expand from its western European base, in 1990 the EFC launched its guest programme. Officially termed the 'Membership Support and Travel Scholarship Fund for Delegates from Central and Eastern Europe, Russia and the New Independent States', the programme, solely funded by the Charles Stewart Mott Foundation, allowed independent funders from the region to benefit from EFC guest memberships and attend EFC events using scholarship funds. The idea was that by attending meetings and participating on committees, guest members from these organisations would help enrich the EFC member community, and could themselves gain a broader perspective on their work.

Over the years, former guests, like Poland's Stefan Batory Foundation and Bulgaria's St Cyril and St Methodius International Foundation, have upgraded to full membership and become active in the EFC's work and

efc

european
foundation
centre

rights and
benefits of
membership

activities. During its 15-year run, the EFC guest programme allowed some 70 emerging and small foundations to benefit from membership and enabled over 200 delegates to attend the EFC AGAs. In 2002, the programme was also used as a model by Fundação Oriente in Lisbon, which contributed a grant enabling six Portuguese foundations to benefit from EFC membership for one year. In 2009 the Charles Stewart Mott Foundation sought to resuscitate the programme, and provided a similar grant specifically for community foundations in eastern Europe.

Close circle to expanded network

In the EFC's early days when members were far fewer, understanding their needs was more straightforward. However, as early as 1992 the EFC Secretariat realised that its members were maturing and demanding more sophisticated and diverse services. So the first membership survey was launched among existing and potential members in Europe, North America and Japan to assess foundations' interests and help improve EFC services. By 1992 the Centre had grown from a circle of close friends to a more developed, heterogeneous network of 61 members. The survey was key to determining the future direction of EFC membership services.

Owing to this rapid initial growth, management was soon forced to decide how best to sustainably and reliably finance the Centre. As a result, in 1992 the EFC Executive Committee (later renamed the Management Committee) first considered the introduction of a sliding scale to determine each member's annual contribution, an idea which would be a recurring one as the Centre continued to grow. Ultimately, it was felt that a sliding scale might

By 1992 the Centre had grown from a circle of close friends to a more developed, heterogeneous network of 61 members.

jeopardise the EFC's financial position, and the idea dropped. Full members were charged ECU 10,000 and associate members ECU 2,000.*

Reaching out

“It is much harder to make the argument for corporate membership in the EFC. Corporations are exacting about the return on expenditures, and so the case really has to be made to them that this is an important thing to do.”

Connie Higginson, formerly of the American Express Foundation

Also during this period of initial expansion, the EFC had an eye on not only widening its geographic membership base, but also the types of foundations that were included as members, and as a result serious steps were taken to attract different constituencies within the European philanthropic community. Though some members were hesitant to include corporate members specifically, as early as 1992 EFC Corporate Citizen Europe activities were introduced. This initiative brought together EFC corporate members and foundations interested in promoting and developing corporate citizenship and corporate giving in particular, and was structured as a peer-learning network. Funding from the Sasakawa Peace Foundation ensured that the programme enjoyed considerable success during the 1990s, but activities eventually ceased owing to lack of funding and reduced interest. The EFC has attempted to maintain services for corporate members over the years, with qualified success. Asked why corporate members are so difficult to attract and retain, Connie Higginson, former Vice President of American Express Foundation, suggests: 'It is much harder to make the argument for corporate membership in the EFC. Corporations are exacting about the return on expenditures, and corporate staff members have

* The euro was introduced to world financial markets as an accounting currency on 1 January 1999, replacing the European Currency Unit (ECU) at a ratio of 1:1.

very little time to devote to meetings and very little of their budgets to devote to memberships. And so the case really has to be made to them that this is an important thing to do.' The EFC still struggles to include corporate members (although there has been a recent spike in interest in corporate philanthropy), a topic covered at a pre-conference event at the 2009 Rome AGA.

By 1996 arrangements were also in place to launch a new EFC programme whose main aim was to strengthen existing practices and develop new vehicles for local philanthropy, emphasising community foundations. Later renamed the Community Philanthropy Initiative, the network promoted and sustained the development of community philanthropy organisations in Europe and globally. Starting in 1997 with its first Annual Networking Meeting in Warsaw, the Initiative held nine annual meetings which attracted some 150 participants a year, and newsletters and other



Corporate Citizen Europe
meeting (1992)

outreach activities kept the network connected through the year. While the EFC has retained close links to community foundations since the Initiative was suspended in 2006, mainly by hosting the Global Fund for Community Foundations, some members have suggested reasons why the Initiative did not become a permanent element of the EFC's core work.

'I was part of the Community Philanthropy Initiative and I have contradictory feelings about it . . . it was good that a different form of philanthropy, a different structure of philanthropy was recognised. However I did feel there was an element of "beggars at the table", and I can understand a degree of discomfort from other EFC members about having groups that are also fund-raisers . . . I also think that perhaps the Initiative was too much based on need rather than what community philanthropy can actually bring to the EFC,' says Avila Kilmurray of the Community Foundation for Northern Ireland. But she still sees a role for community foundations in the EFC membership: 'I think community foundations do need to create a space . . . the onus is actually perhaps on the community foundations themselves to come up with ideas about what it is that we bring.'

1996: A watershed year

From 1989 to 1996 EFC membership grew year-on-year due to a number of different member recruitment campaigns, and 1996 saw the Centre's membership finally reach the 100 members mark. By the end of that year, the EFC had 116 members. The year is also significant for the EFC because from 1 January 1996 the EFC was formally established as an autonomous international association under Belgian law. This revised the Centre's governance structure, and strategic decision-making was now entrusted to a Management Committee and European Foundations Council (later renamed the Governing Council). This also

Francis Charhon outlines changes to membership and governance structure at 1996 Paris AGA



had consequences for membership development and recruitment, which were prioritised during this rite of passage.

It was agreed that developments in the sector and the need to accommodate the expanding membership's diverse needs had significantly altered the EFC's role. As noted in the EFC's 1996 Annual Report: 'The essentially entrepreneurial priorities which motivated the embryonic organisation of 1989 have been supplanted by new operational challenges.' The switch to being an autonomous, not-for-profit organisation marked the Centre's maturity, and showed that it had now acquired critical mass. As a result, three major steps were taken concerning membership development in 1996. First, a new Membership Committee was set up, to monitor, support, and suggest improvements to EFC membership services. Second, a new membership drive was begun which sought to improve conversion of contacts into members. Finally, the membership categories were revised to define two separate groups of members, funding members and members, which were entitled to differing rights and benefits. Subscriptions were respectively ECU 10,000 and ECU 2,000.

The essentially entrepreneurial priorities which motivated the embryonic organisation of 1989 have been supplanted by new operational challenges.

Ten years of growth

By 1999 the EFC had expanded to 133 members. With the tenth anniversary of the EFC, and the adoption of the Berlin Blueprint for the Millennium (see Chapter 5), it was decided to hold another survey of EFC members to assess their needs. Like the 1992 survey, the results helped determine the course of EFC Secretariat activities. First and foremost, the survey clearly showed the need for the EFC to focus on its representative role. To meet this need, two new member-driven committees, the European Union and International Committees, began work in 1999. These committees raised member participation in the Centre's development to a new level as members used these committees to guide EFC policy on EU and international issues, and participating in the groups gave fresh assurance that members' concerns were being heard.

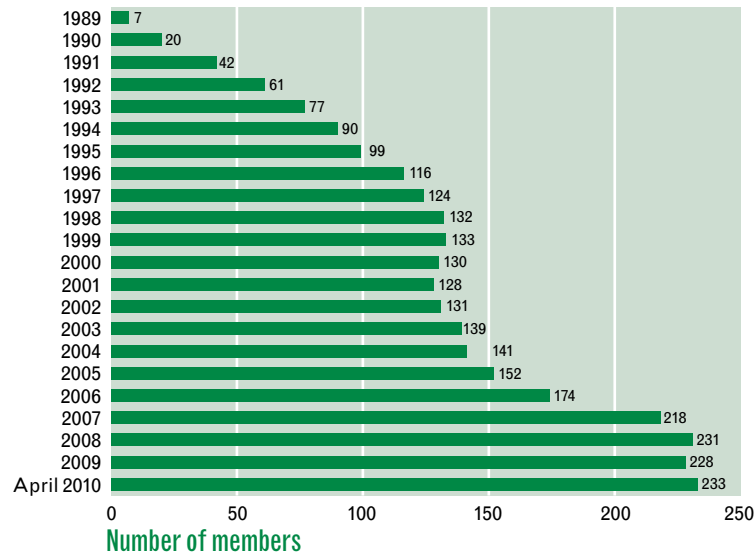
In 2001 a third member-driven committee joined the governance structure, which is particularly relevant to this chapter. Initially chaired by Dario Disegni of Compagnia di San Paolo, leadership of the Resource Development Committee later passed to Miguel Angel Cabra de Luna of Fundación ONCE. The committee was devised as the driving force behind systematic membership development, and aimed to secure and build resources by developing and implementing a strategy on membership services, recruitment and communications. The introduction of the Committee was timely, since by 2001 EFC funding members were contributing a disproportionate 59 per cent of the EFC's total annual budget, though they represented only 30 per cent of members. Given that US organisations were still supporting the Centre financially, the Committee immediately faced several major issues. Klaus Wehmeier of the Körber-Stiftung explains: 'For six years I was on the Resource Development Committee, and there we looked at how best to attract new members, and overall how to make the organisation stronger. We prepared the arguments for having

Resource Development
Committee members meet
in Rome (October 2005)



new membership fees and introducing only one group of members, among other things.' Many Committee proposals took several years to materialise, but the Committee's discussions did much to lay the foundations for a later change in how the EFC receives its funding.

EFC membership growth





John Richardson (far left)
meets with Italian members
in Forlì (2000)

Calling all members

Many different tools have been tested to woo new members. One recurring method is the 'member-get-a-member' campaign, which has at times yielded good results. But perhaps the most successful means of recruiting members remains the AGA. Locating the event in a different city each year has sometimes made it easier to encourage participation by foundations which would otherwise not have attended. Disegni experienced this sitting on the Host Committee for the 1998 Turin AGA: 'We took this opportunity to invite many Italian foundations to attend a meeting in Turin – it was much easier than saying "come to Stockholm." It was a moment when many of the big Italian foundations said "OK, you were right, that was very interesting, so we'll begin thinking of joining the EFC".' There is a correlation between the country that hosts the AGA and the number of foundations from that country which join that year; recent conferences in Spain and Turkey have further illustrated this trend (see Chapter 4).

Veni, vidi, vici

Under the guidance of the Resource Development Committee, the growing EFC membership's backgrounds, geographic focuses and programme areas has remained diverse. The year 2006 saw the largest growth in members in one calendar year, with 34 new foundations joining the Centre. The bulk were Italian, most of which were foundations of banking origin. This last category represented the fastest growing element in Italian philanthropy, which saw collective annual spending of €1.5 billion in 2006. By mid-2007, 34 Italian foundations had joined the EFC in just

Italian members meet in
Venice (January
2008)



Italian foundations in the EFC

A key figure in the upsurge of new Italian members was Giuseppe Guzzetti of Associazione di Fondazioni e di Casse di Risparmio (ACRI) and Fondazione Cariplo. Guzzetti had been in the vanguard of every major battle fought by Italian foundations of banking origin since their creation, and firmly believing in collaboration and sharing good practice, he strongly encouraged Italian foundations to play a greater role in the EFC. The EFC can now claim members in 40 countries, but thanks to the 2006–7 surge, Italy remains the country with the most members.



18 months. Luca Fantuzzi of Fondazione Monte dei Paschi di Siena suggests that this is because ‘the advocacy work of the EFC can be very useful, both at a European level and at a domestic level. For instance, imagine if in one or two years we could have a European Foundation Statute. We could then of course say to our Italian Government, if we don’t like your rules, there is a very attractive instrument at the EU level that foundations may use instead. So I think Italian foundations understood . . . that it is still very important to be members of the EFC.’

Giuseppe Guzzetti
addresses delegates at the
2009 Rome AGA

“Imagine if in one or two years we could have a European Foundation Statute. We could then of course say to our Italian Government, if we don’t like your rules, there is a very attractive instrument at the EU level that foundations may use instead.”

Luca Fantuzzi, Fondazione Monte
dei Paschi di Siena

2007: Time for Europeans to step in

Owing partly to the large increase in Italian members, by 2007 the EFC's members exceeded 200. Yet despite this influx of European members, the EFC still faced the same funding problems as it had since 1989: a small group of large foundations was contributing the bulk of EFC annual income, subsidising smaller foundations. Even more difficult, the EFC continued to rely heavily on US funders, as Europeans were still not contributing their fair share. Following the phasing out of the Resource Development Committee, in January 2007 an ad hoc Development Task Force assembled to review EFC finances. The Task Force considered various approaches to funding, and at the 2007 Madrid AGA produced an ambitious new proposal which would cover 60 per cent of the EFC's annual budget from members' contributions.

The proposed fee structure eliminated the distinction between funding members and other members, introduced a minimum contribution of €4,000, and encouraged additional voluntary contributions based on assets or expenditure. Iwona Murphy of the Kronenberg Foundation believes that the revision helped simplify the membership structure: 'Before it was a complicated system... this revision made it much more clear with just one member base.' Cabra de Luna, a member of the Development Task Force, says the proposal's ultimate goal was: 'To promote the self-financing of EFC activities through European foundations and to reduce the external resources coming from outside the EU.' Luc Tayart de Borms of the King Baudouin Foundation was also a Task Force member, and felt the purpose of the revision was: 'To show European foundations their responsibility, meaning that they have to fund their own Centre. We are an older and bigger sector than in the US, in numbers, so this was an absolute scandal that we were dependent for our core business on US money. This



AGA participants cast their votes



is not an anti-American attitude; it just means that we have to take on our responsibility as Europeans.'

The fee revision was proposed to the Governing Council and then the AGA in Madrid, and sparked heated debate at both. Gottfried Wagner, formerly of the European Cultural Foundation, remembers the Governing Council arguing whether it dared increase fees: 'Some of the Governing Council members were very timid and wanted to be very cautious, so I said, "Listen,

my sense from listening to my colleagues, is that this is the moment when you can count on a certain responsibility . . . go ahead".'

Wilhelm Krull of the VolkswagenStiftung also avidly supported the increase: 'The European

foundations didn't live up to their expectations. They were all claiming that we needed a strong voice in Brussels, but nobody, with only a few exceptions, was really providing adequate support.' Ultimately the changes were supported by the AGA and the buzz in the hallways of the hotel in Madrid was unmistakable; could it have been that European foundations were excited about this gauntlet that had been thrown down?

We are an older and bigger sector than in the US, in numbers, so this was an absolute scandal that we were dependent for our core business on US money. This is not an anti-American attitude; it just means that we have to take on our responsibility as Europeans.

Luc Tayart de Borms, King Baudouin Foundation

Progress since Madrid?

Having accepted the fee changes, EFC members now had the clear goal of sourcing 60 per cent of the EFC budget from memberships. The first year under the new scheme saw a marked improvement. At Madrid, only 22 per cent of EFC income came from membership fees (the remainder came from grants and other income), but by the 2008 Istanbul AGA this figure had leapt to 44 per cent. However, the global financial crisis which exploded in 2008 meant that the 60 per cent goal was a tall order. The report on income from members at the 2009 Rome AGA confirmed this. While 60 per cent of EFC income was by then obtained from membership fees, the figure was not as encouraging as it seemed. The proportion of membership fees had only reached 60 per cent owing to a decrease in total income, and not because of any increase in funding from membership fees. Discouragingly, a deficit in total income had developed which had hitherto been provided by general purpose grants.

One step at a time

While the Rome AGA was somewhat disappointing, there were still grounds for hope. Üstün Ergüder of TÜSEV notes: 'The main challenge is making the EFC a truly European organisation. In terms of funding, we are still very dependent on US foundations – it is certainly a challenge but since Madrid we have started to come some way.'

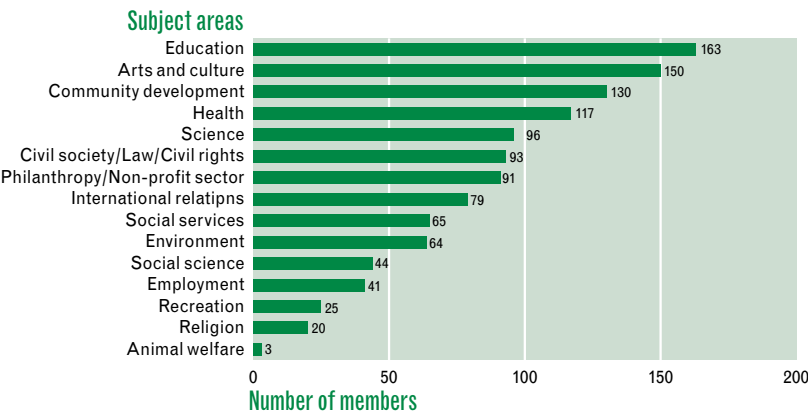
The EFC's two major historical funders are quick to comment. Christopher Harris, formerly of the Ford Foundation, says: 'Seated around the [EFC] table today are a large number of European foundations with substantial wealth – far more than even ten years ago. It is no longer appropriate for US foundations to give the EFC resources for general operations and few will. Responsible programming demands that those monies be shifted to where the need is greater

–an issue of even starker importance, given the current economy and fewer philanthropic funds available. It is time for European foundations to decide what kind of institution they want: small-scale, narrow-focus, just connecting for a meeting once a year, or an institution that provides them with a variety of rich intellectual, programmatic and legal resources. If European foundations choose the latter, then more of them need to fund it.' Shannon Lawder of the Charles Stewart Mott Foundation agrees: 'The EFC has already made significant progress in terms of covering its budget from membership dues, which is an incredible accomplishment. Hopefully that trend will continue because the days of the Ford Foundation and Charles Stewart Mott Foundation providing large grants are obviously gone.'

The bumpy road ahead

Overcoming funding challenges will not be easy, but there is a growing awareness among Europeans that either they start funding the EFC themselves, or it will no longer exist, at least not in its current form. Paavo

What subject areas do EFC members support?



Hohti of the Council of Finnish Foundations says: 'Of course . . . the EFC should be totally supported by European foundations, but we are receiving grants from the US. It is not an ideal position to be in, and I regard it as a negative sign that Europeans are not more interested in building a common voice.'

The solution lies not just in changing European funders' thinking, but also in increasing the number of members. This will not only help solve funding problems, but also increase the Centre's clout with the EU. The EFC's current Chair, Emílio Rui Vilar of Fundação Calouste Gulbenkian, is straightforward: 'The first priority is to increase and to diversify the number of our members.' Pittam agrees: 'I am uneasy about us relying on US foundations to fund our core business, and I was very much in support of increasing the membership fees. However, I think the key thing is that there are so few of us . . . rather than thinking in the longer term of increasing the fee, I would hope that we can attract more foundations to join as members.'

Which population groups do EFC members target?



Keeping up with the diversity

The ever diversifying nature of EFC membership seems likely to be a constant over the coming years, so the EFC will likely continue to grapple with understanding the range of foundations among its members. Since 1995 the EFC has consistently revised its Typology of Foundations. What was initially conceived as a tool to aid in the classification of EFC members, at one point had turned into a 20 page shopping list of various definitions of the word 'foundation'. At a certain point it seemed that with each new EFC member, a new type of foundation was added to the EFC typology list. With the diversity and fluidity that characterises today's European foundation sector, the EFC will, at some point, have to seriously address the question: is it even possible to create an all-inclusive typology of foundations in Europe? In an EU context, 27 different sets of national law related to foundations (and even more if regional laws are taken into account), 27 histories of national foundation sectors, and 27 perceptions of what foundations are, means that the Centre will have its work cut out for it in creating a functional typology. But, as Pittam notes, and as this chapter began, 'how we all tie up is part of the exciting and adventurous experiment!'

The top ten countries represented in the EFC's membership



Country	Number of EFC members
Italy	52
Germany	26
United States	25
United Kingdom	15
The Netherlands	13
Spain	13
Switzerland	11
Portugal	9
Belgium	7
Denmark	7



ENERGY

1985

Chapter 4

More than a meeting: The AGA and Conference

Since the first EFC AGA and Conference (hereafter abbreviated as 'AGA') in Bruges in November 1990, the event has grown in stature to become the leading event for major independent funders in Europe. Uniting 68 participants at the first meeting, the event today attracts over 600 participants annually, representing foundations and partner organisations from Europe and worldwide. The AGA has evolved in many ways, from its themes, and the diversity of its delegates, to the various formats which have been tried out. The EFC Secretariat has also learnt the importance of attracting high-level speakers, and the importance of choosing the right location. Yet despite the winds of change, each year the AGA consistently gathers together old friends, provides a space to explore new ideas, and reminds participants that they are part of a greater enterprise, not just individual foundations.

Moving with the times

The EFC AGA and Conferences are putting important issues on the table, issues that the world is facing, humanity is facing. I think the EFC should be active in making foundations more aware of these problems.

Üstün Ergüder, TÜSEV

In view of the diverse themes the AGA has addressed over the years, it is clear how the event reflects the political, economic and social concerns of the day. Each year members consider issues of public concern by developing a content-rich event. Initially, the fall of the Berlin Wall and the Soviet Union's dissolution meant that the focus of discussions was on encouraging growth and development of civil society eastwards for the

emergence of democracy and stability. More recently, with the EU's expansion, themes have been linked to developing the enlarged Europe, and how foundations might better serve the European project by promoting citizen engagement and social dialogue.

The AGA has addressed many topics emerging on the EU agenda. This is especially true when the event returns to Brussels, every three to four years. In 2002, the European Parliament hosted the event's opening plenary, which debated foundations' important role in science, and particularly their contribution to the EU's ambitious goal of creating a knowledge-based society by 2010. On several occasions, the themes chosen for the conference deliberately corresponded to a European Year: the 2008 AGA on creativity pre-empted the 2009 European Year of Creativity and Innovation, while the 2009 AGA on fighting poverty foreshadowed the 2010 European Year for Combating Poverty and Social Exclusion. This approach has allowed foundations to voice their thoughts on matters that are relevant to the European project. 'The EFC AGA and Conferences are putting important issues on the table, issues that the world is facing, humanity is facing. I think the EFC should be active in making foundations more aware of these problems,' believes Üstün Ergüder of TÜSEV.

EFC AGAs over the years

Year	Title	Location
1990	Foundations for Europe – New Europe, New Wealth, New Funding	Bruges, Belgium
1991	Foundations for Europe – New Europe Initiatives – Focus on the South	Arrabida, Portugal
1992	Foundations for Europe – Cross Frontier Partnerships for Foundations and Corporate Grant Makers	Bonn, Germany
1993	Foundations for Europe – Building Civil Society	Prague, Czech Republic
1994	Foundations for Europe – Developing Relationships between Independent Funders and Government in a Changing Europe	London, England
1995	Foundations for Europe – Principles, Priorities, Partnerships and Good Practice	Seville, Spain
1996	Foundations for Europe – Grantmaking and Operational Practice	Paris, France
1997	Foundations for Europe – The European Union and Social Economy, Challenges and Responses	Brussels, Belgium
1998	Foundations for Europe – Global Concerns – Local Practice	Turin, Italy
1999	Foundations for Europe – Learning from One Another	Berlin, Germany
2000	Foundations for Europe – Dialogue with Corporations and Public Authorities – New Technologies, New Philanthropists	Krakow, Poland
2001	Foundations for Europe – Building Social Capital – The Social Economy	Stockholm, Sweden
2002	Foundations for Europe – Science and the Citizen	Brussels, Belgium
2003	Foundations for Europe – The Citizen Facing Challenges of Globalisation	Lisbon, Portugal
2004	Foundations for Europe: The Athens Agora – Bridging Civilisations and Cultures	Athens, Greece
2005	Foundations for Europe: Making the Union Work for All Citizens	Budapest, Hungary
2006	Foundations for Europe: Supporting European Citizens' Participation	Brussels, Belgium
2007	Foundations for Europe: The New Challenges for Global Philanthropy	Madrid, Spain
2008	Fostering Creativity	Istanbul, Turkey
2009	Fighting Poverty. Creating Opportunities	Rome, Italy
2010	A Conversation with the EU Institutions	Brussels, Belgium
2011	To be decided	Cascais, Portugal
2012	To be decided	Belfast, Northern Ireland

Over the past decade, contemporary themes have arisen such as globalisation with its opportunities and challenges, bridging cultural divides, climate change and the environment, social inclusion, and global health. Christopher Harris, formerly of the Ford Foundation, notes: 'The substantive focus of the discussions is much more relevant for life in Europe and the world today than it was in the past. The fact that the 2009 AGA and Conference focused on poverty and its many manifestations is not insignificant. I could not imagine this kind of conference happening 15 years ago.' Rayna Gavrilova, of the Trust for Civil Society in Central and Eastern Europe, shares this view: 'I see the same people coming year after year, as they're seeing a new set of problems or new ideas, thus overcoming parochialism.' Members drive the choice of theme, so the success of each AGA is a shared responsibility.

Small family to diverse community

The 68 delegates at the 1990 AGA were fairly homogeneous, largely comprising male representatives from foundations in western Europe, with just a few from the USA and central or eastern Europe. Many of the early participants still attend EFC AGAs today. Shannon Lawder of the

1990 Bruges AGA

Charles Stewart Mott Foundation (who has herself attended 17 AGAs) says: 'In the early days it was a lot smaller... it was more intimate and had more of a family feel, which I think it still retains to a certain degree. When you go to large meetings elsewhere you don't get that kind of feel, whereas at EFC AGAs people know each other, they've been coming together for a long time.'





Avila Kilmurray addresses
the 1994 London AGA

While some saw the early meetings as a friendly gathering of peers, others found them less inviting. 'When I first attended an EFC AGA in the 1990s, to be quite honest, I found it very much a rather elitist club of wealthy be-suited men and I remember actually comparing it to a feudal court, with sort of large cheque books sweeping by, everybody else on the fringes,' says Avila Kilmurray of the

Community Foundation for Northern Ireland. Following several years' absence, Kilmurray decided to attend the event again. 'I came back basically because I felt it was possibly going to be a bit more open, and hopefully a bit more diverse.' As the event has grown, so has the wide variety of delegates. 'The diversity of institutions is amazing compared to how it was even ten years ago. Different parts of Europe... a lot of institutions from outside Europe, a much more vibrant variety of different kinds of foundations are present now,' notes Harris. Filiz Bikmen of the Sabanci Foundation has also witnessed the marked change in conference delegates: 'There is a more diverse group of delegates starting to come to AGA and Conferences, joining committees and other activities. This is an important evolution and a sign of increased dynamism in the sector.'

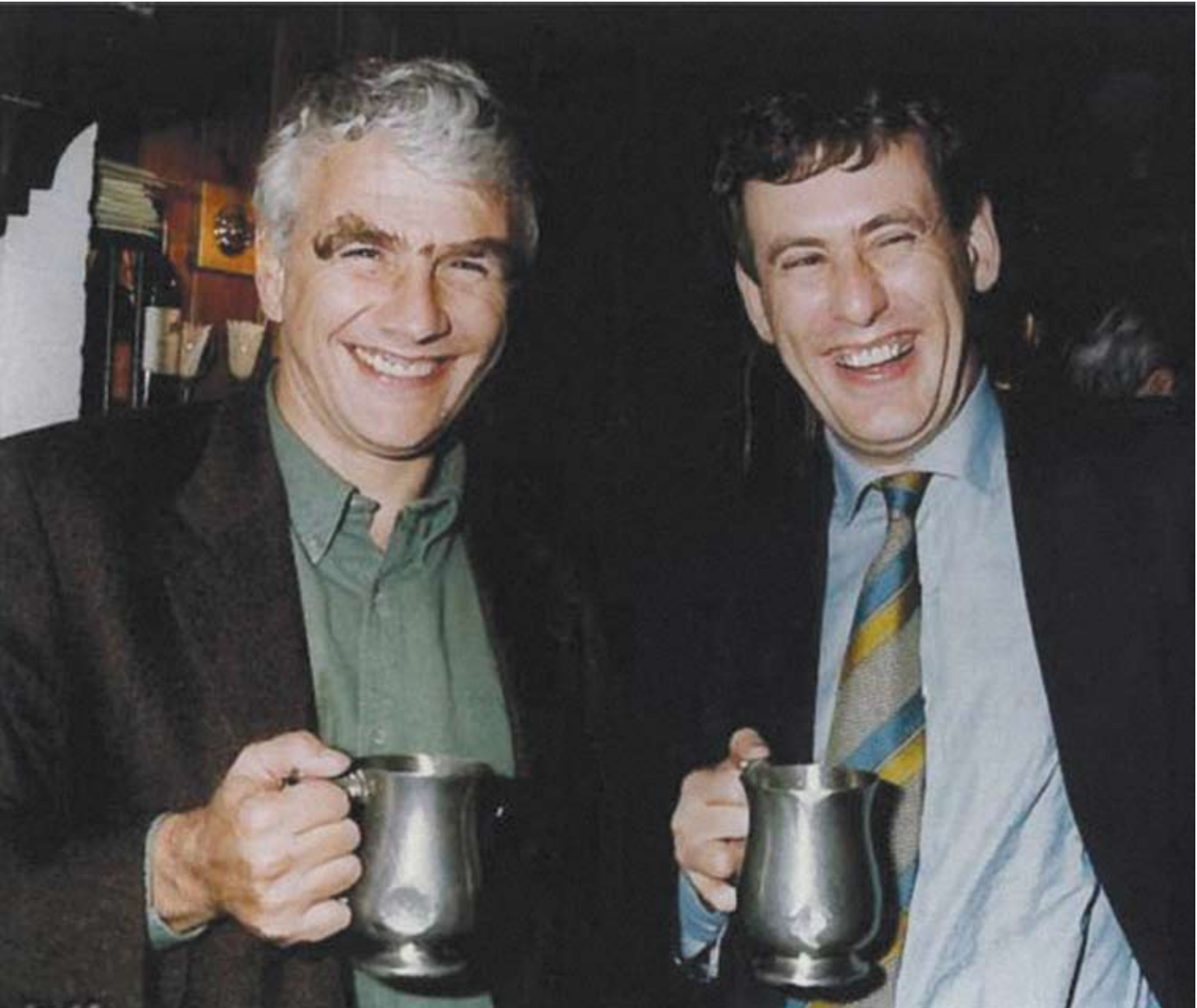
While the AGA has tried to tackle issues which relate to the diversity of its participants, in recent years the organisers have expressly attempted to achieve a gender balance among both delegates and panellists. But as Bente Groth of Realdania remembers, it was no easy task to change minds about including more female speakers: 'That was really a fight! But it's not strange any more to have women chairing sessions and we have 50/50 participation between males and females, which is good.' Less well-known is

that, behind the scenes, women have been instrumental in organising the AGA. This is mainly because the EFC Secretariat has always been a predominantly female environment, and the events department is no exception. Staff including Leticia Ruiz-Capillas and Jolene Butt, with the assistance of many others, have played an essential role in developing and organising the event. This struck Ergüder at the 2008 Istanbul AGA: 'They make the Annual Conference and General Assembly the premier event for the European third sector. The 2008 Istanbul AGA was no exception: we were depending on resourceful and able women who were not only acting as engines, but also as role models for women in the third sector.'

Delegates at the 2003
Lisbon AGA



(L–R) Francis Charhon and
Luc Tayart de Borms at the
1994 London AGA



Changing formats



Above left: Interactive fair format piloted at 2009 Rome AGA

Above right: Nicolas Borsinger of the Pro Victimis Foundation, salutes Raymond Georis at the 2005 Budapest AGA

Running a conference year in, year out, the EFC has tried to learn lessons and introduce improvements, in the hope of making the event as dynamic and participatory as possible. However, following the adage 'If it ain't broke, don't fix it', the EFC has clung to a basic formula which seems to work. Wilhelm Krull of the Volkswagen Stiftung observes: 'The overall structure of past AGA and Conferences was not that different from today's structure, it has just grown and we have more parallel sessions.' However, some formalities have been stripped away to allow delegates to focus more on core discussions. Rien van Gendt of the Van Leer Group Foundation remembers: 'In those days it was usual before you could start an AGA and Conference that you had a whole array of people, from the cardinal and the mayor and the vice president, to officially open the conference, which

Opening plenary at the 1992 Bonn AGA



would take a few hours... It was something you couldn't avoid.' Efforts have also been made to enrich programme content to encourage greater interaction. Interactive fairs, auctioned sessions, special thematic plenaries, varied session formats and the introduction of session strands targeting different kinds of foundations have all been tried. Other recent additions are prize ceremonies for the annual EFC photo competition, introduced in 2007, and the Raymond Georis Prize for Innovative Philanthropy in Europe.

One experimental format which appealed was the mock trial of European foundations held at the 2008 Istanbul AGA. 'I was sceptical at the beginning because I thought that this role-playing might not be very successful. I was really taken by surprise because I was on the jury; initially I had half-seriously... accepted this role. But it proved to be to such an intense debate... I truly believe that it was excellent that even the most serious people, when placed in a changed environment, are able to produce really new things and become very engaged,' says Gavrilova.

European foundations on trial at the 2008 Istanbul AGA

Distinguished company

What experiences have made a lasting impression on delegates? Many mention the high-level speakers. A lot of formalities have been stripped away over the years, but distinguished speakers undoubtedly raise the event's profile and attract greater media attention. With help from contacts in host countries, the EFC has benefited from speeches delivered by presidents,

What experiences have made a lasting impression on delegates?



prime ministers, royalty and philanthropic leaders. Carlos Paramés of the Asociación Española de Fundaciones recalls a speech by George Soros at the 1993 Prague AGA: ‘Soros delivered the opening address and I asked him “What are the reasons behind your decision to dedicate big amounts of your personal wealth to the rise of civil society in eastern Europe?” He only said, “In the minds of many people there is the dream to change the world. I’m just one of the very few who has enough resources to really try to do it.”’

Another memorable moment was the speech by Giuliano Amato, twice Prime Minister of Italy, at the 1999 Berlin AGA. His presence was particularly significant given his long history with Italian banking foundations. Changes affecting the Italian banking system began in 1990 with the ‘Amato Law’ (Law 218 of 30 July 1990), which ordered state-owned banks to transfer their banking operations to newly formed joint-stock companies and turn themselves into foundations to pursue public interest or socially oriented activities. This process created the 89 banking foundations and was later completed by Legislative Decree 153 of May 1999, which set the scene for completion of the banking restructuring process begun with the Amato Law and delivered a review of the legal and fiscal framework for foundations. In November 1999 Amato reminded AGA delegates of their unique ability to effect change, and that ‘concern for the collective interest should not be left exclusively in the hands of public authorities’.

The presence of distinguished guests has raised the European foundation sector’s profile. Bikmen refers to the Turkish Prime Minister, Recep

Soros delivered the opening address and I asked him “What are the reasons behind your decision to dedicate big amounts of your personal wealth to the rise of civil society in eastern Europe?” He only said, “In the minds of many people there is the dream to change the world. I’m just one of the very few who has enough resources to really try to do it.”

Carlos Paramés, Asociación Española de Fundaciones

Location, location, location

Hosting a large event each year in a different European city always raises logistical problems for the organisers. Some past events may even be remembered more for the organisational nightmare than their content. One example was the 1995 Seville AGA, which even EFC staff admit was below par. The 2009 Rome AGA may enter posterity as the event which discussed poverty in a five-star hotel.

But such drawbacks are outweighed by the benefits of changing venue each year. Conference-goers appreciate how a changing backdrop offers different perspectives on the agenda issues. The

venue has also proved an effective way to raise the profile of a country and its philanthropic work. 'The 2008 Istanbul AGA . . . was very interesting, not only due to the venue but also because it showed the connection between Asia and Europe. So it gave some opportunities to get a little in touch with what civil society is doing in the city as well as in the Turkish context,' says Mats Rolén of Stiftelsen Riksbankens Jubileumsfond. Maria Chertok of Charities Aid Foundation Russia agrees: 'The combination of a great

meeting and very interesting people with being in a place like Rome, Madrid or Istanbul adds a different kind of dimension. It's good: it shouldn't be Brussels all the time. We would love to have an EFC AGA . . . in Moscow and this may even develop relationships with . . . Russian foundations and make them understand more about European philanthropy and about the value that the EFC can bring.'

Delegates enjoy views of the Bosphorus at the 2008 Istanbul AGA



Tayyip Erdoğan, who was among the keynote speakers at the opening plenary of the 2008 Istanbul AGA: 'Exposure is really important and I strongly believe that bringing AGA and Conferences to different places and allowing the hosts to be part of its design increases visibility and adds momentum to the sector.' The Prime Minister's presence at the event was 'an important message that the sector plays a critical role in development'.



Keynote speaker Mary
Robinson at the 2008
Istanbul AGA

1996 Paris AGA



Professional development, peer learning and partnerships

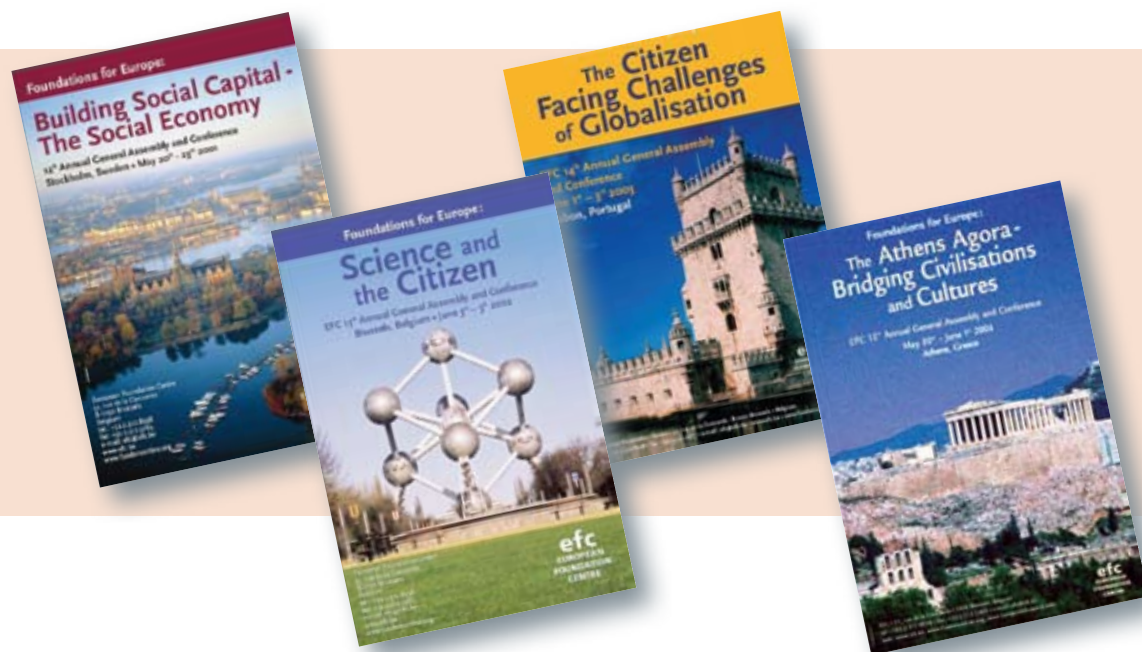
Despite the AGA's evolution over 20 years, its original remit has been retained: space for professional development, peer learning and the development of partnerships. Management, ethics and governance, investment strategies, new forms of philanthropy, communications and public relations are among the capacity building topics which have featured on AGA programmes over the years.

Insights from sessions and encounters with other delegates last long after the conference closes. Harris notes that the AGA's utility as a learning platform has improved enormously: 'It has always been useful for me as a single point of connection with a lot of European funders for a variety of reasons. Over time the staff has become much more professional



2007 Madrid AGA

In the early days, the annual EFC gathering was called the Annual General Meeting. As it grew and foundations were more eager to explore issues and build their networking and professional capacity, the EFC built more of a conference to meet these needs. Diverse themes have reflected current trends and concerns.



For my personal development and understanding of philanthropy and inspiration, this is the place to go because I can get first-hand information, understanding of the new trends, new players and old players, and networking and contacts.

Natalya Kaminarskaya, Russia Donors Forum

about designing a variety of learning spaces and techniques.' Natalya Kaminarskaya of the Russia Donors Forum agrees: 'For my personal development and understanding of philanthropy and inspiration, this is the place to go because I can get first-hand information, understanding of the new trends, new players and old players, and networking and contacts. I always get valuable things I can take back home both personally and for my professional life.'

Other conference-goers agree. 'I always come away with two or three novel ideas, so I think that it is the best staff training and induction of people in my foundation to send them to the

EFC AGA... I used it in the past to see that other people became involved because it is a cost-effective way to give people induction,' says van Gendt. Bikmen agrees: 'EFC AGAs have been among the most important milestones in my professional development. The EFC has been the main sector organisation where I can really explore and learn about new directions in foundations and philanthropy.'



Easy access to peers and the opportunity to build a network of like-minded contacts are other important benefits of attending, says van Gendt: 'After the event, it is so much easier when you have a particular problem to contact a colleague in the field. So the EFC acts as a mediator and a broker in terms of contacts.' Gavrilova shares this view: 'I think the environment of the AGA ... really offers me a shortcut and possibility to meet and interact with people I don't usually meet and get in touch with.' Ivan Vejvoda, of the Balkan Trust for Democracy, says: 'It's the rare opportunity where you can actually meet a lot of your colleagues. Some of them you meet during the year because you are partners; but it's always that added-value to be able to meet them in a focused and concentrated way in a space of three days ... it's really that human, professional contact that is one of the great values.'

Some delegates admit to initial scepticism: 'The first EFC AGA ... I attended was in Berlin in 1999. To be honest I really asked "Why are we here? There is almost nobody discussing research issues, research policy, research funding, or grant-making for research, which are our core areas." But very soon I realised that there were quite a lot of research funding foundations among us,' says Rolén. As the event burgeons, a contin-

One of the issues for UK foundations is that all of us come from an Anglo-Saxon tradition and the fascinating thing is that when I come to EFC AGAs . . . it challenges me to actually think about how to operate with foundations that come from other traditions.

Stephen Pittam, Joseph Rowntree
Charitable Trust

ued challenge is ensuring that delegates with shared interests can meet each other.

Another benefit for participating foundations is the possibility of gauging the value of their work. 'The AGA . . . is a unique opportunity to benchmark our own progress against others, not because we are competing, but because it gives us ideas, it gives energy, it gives a sense of direc-

tion . . . The event puts Russia into a bigger context because Russia usually tends to have its own way . . . I think it's very important that we become part of this global community and European community of foundations,' says Chertok. Stephen Pittam of the Joseph Rowntree Charitable Trust agrees that it is valuable to position one's organisation in a broader context: 'One of the issues for UK foundations is that all of us come from an Anglo-Saxon tradition and the fascinating thing is that when I come to EFC AGAs . . . I become more conscious of the tradition from which I come. At one level it reinforces one's identity in terms of thinking "yes, I know where I am coming from", but it also challenges me to actually think about how to operate with foundations that come from other traditions.'

Thanks in part to AGAs, with their ability to assemble people with common interests, many new partnerships, networks and initiatives have emerged. Some began as informal gatherings, like the annual meeting of national associations of donors (which later became DAFNE, see Chapter 7). Since 1997 the national associations have used the occasion of the AGA to meet and exchange views. At the 2006 Brussels AGA, national associations signed a memorandum of understanding, and advanced further at the 2009 Rome AGA, when DAFNE signed papers establishing its own statutes, governance and membership fee structure. EFC interest groups

and projects such as the Minorities and Multiculturalism Interest Group (merged with the Migration Interest Group in 2006 to become the Diversity, Migration and Integration Interest Group) and the Youth Empowerment Partnership Programme (YEPP) were also born from conference discussions, supporting the view that the annual event is not just a 'talking shop', but also a space to develop concrete ideas.

Declarations and statements

Several defining moments in the EFC's own strategic development have resulted from AGAs, including the adoption of the 1993 Prague Declaration, the 1999 Berlin Blueprint, and the 2004 Athens Assessment. These documents have played an instrumental part in defining the EFC's mission, vision and strategic objectives over two decades (described more fully in Chapter 5).

More than once the conference has also proved it is not just a forum to exchange perspectives, but can take a stand on controversial matters. This was especially true in 2005, when the Budapest AGA was held just a week after the French and Dutch referendums where citizens voted 'no' to the proposed EU constitution. The ensuing crisis was a recurrent point of reference at the opening plenary. 'It was really a tricky one in a way because the AGA . . . was bringing together participants to discuss building bridges and enlarging the EU or Europe, and then these two big countries, founding fathers of the EU, said no. It was very important to stress that this hopefully was not a unanimous feeling among all the countries towards the enlargement', says Rolén.

Gottfried Wagner, formerly of the European Cultural Foundation, had the challenge of delivering a keynote speech: 'I wanted to make a speech which



Delegates at the 2009 Rome AGA draft declaration on intolerance towards migrants

I wanted to make a speech which would position foundations in this very tough political arena. I wanted to shake ourselves – are we part of the solution or are we part of the problem? – and that speech was very well-received.

Gottfried Wagner, formerly of the European Cultural Foundation

would position foundations in this very tough political arena. I wanted to shake ourselves – are we part of the solution or are we part of the problem? – and that speech was very well-received.' The results prompted the EFC Governing Council to call on foundations to strengthen the European project; a statement endorsed by the AGA two days later.

Similarly, at the 2009 Rome AGA, delegates confirmed their agreement with Giorgio Napolitano, President of the Italian Republic. Napolitano's warning of the growing dangers of xenophobia and intolerance towards migrants received wide coverage in the Italian press. Delegates endorsed a statement of which an excerpt was: 'As members of foundations, we are committed to a Europe which is inclusive and tolerant; we work for this alongside citizens and civil society organisations, as well as with governmental bodies. We strongly encourage the governments of all member states to work individually, together and with the institutions of the European Union, to build a framework for addressing migration in ways that truly respect the dignity of all human beings.'



Giorgio Napolitano, President of the Italian Republic, at the 2009 Rome AGA



Coming up next

Perhaps the evolution of AGAs is best summarised by John Healy of the Centre for Nonprofit Management at Trinity College Dublin: 'Today's EFC AGAs... are in stark contrast to the first event I attended... in Arrabida in 1991. It was attended by about 150 people. The content was thin and the organisation slightly shambolic. But the event established the EFC's role of providing the primary meeting place each year for philanthropy professionals in Europe. It triumphantly vindicates the foresight of the leaders who came together in 1989 to found the EFC. It is now a major event on the annual calendar of international philanthropy. The event's content is substantive. The debates are lively and serious business is transacted. And the EFC itself is an essential organisation.'

The EFC will continue to test improvements to the various aspects of its flagship event. The AGA will return to Brussels in 2010 and will be part of an innovative 'Foundation Week' which will serve to better position European foundations with EU institutions. Of course, questions about the event must be answered as it evolves. How big is too big: should participation be capped? While it is a vital space for foundations to talk to their counterparts, should foundations' grantees be more involved? As the interests of EFC members continue to diversify, how can the AGA remain cohesive yet relevant to all participants? One encouraging trend is the number of members who offer to host the event in their country, which suggests there are many further interesting AGAs still to come.

Above left: William S White and John Healy at the 1992 Bonn AGA

Above right: Delegates find a moment for dancing at the 2006 Brussels AGA



Chapter 5

Structuring an organic organisation: Evolving governance

The challenges of running an organisation whose direction is determined by so many diverse voices are surely numerous. Recognising the need to ensure that all of these voices eventually understand a common direction forward, there have been a number of pivotal, strategy-defining moments in the EFC's story which this book would be remiss if it did not mention. The Prague Declaration, Berlin Blueprint for the Millennium, Athens Assessment and Strategic Plan were all documents that captured the spirit and mood of the time that they were produced, and taking this context into consideration defined the future course of the organisation. Like the 'you are here' indicator on a map, each, in their own right, positioned the Centre and paved the way for its continued growth and development.



(L–R) John Richardson,
Raymond Georis and
Michael Brophy at the 1993
Prague AGA

Foundations’ Czech-point: The Prague Declaration

In November 1993 the EFC’s members took a major step at the Prague AGA by issuing the ‘Prague Declaration’, a seminal document listing funders’ objectives and obligations. The Declaration sent a powerful message to external stakeholders of European foundations’

maturity, and acted as a rallying point for EFC members.

The Declaration was a means to encourage a dynamic and accountable independent funding sector, moving away from narrow national interests. Some view the Prague Declaration as a precursor to what would later develop into the EFC Code of Practice (explained in detail in Chapter 8). Recognising the significance of this collective stance, those present in Prague agreed on the importance of respecting the spirit of the Declaration in the years to come.

The Prague Declaration

The Prague Declaration sought to:

- ▶ Reaffirm the unique role of independent funders in building a just, equitable and sustainable civil society in the New Europe.
- ▶ Acknowledge the necessity of openness, integrity, self-regulation and control within the rule of law in democratic society.
- ▶ Call on governments and European and international institutions to provide a coherent legal and fiscal framework to support and regulate foundations and associations.
- ▶ The document also spelt out objectives, principles and commitments for the independent funding sector, and demanded that governments and European and international institutions:
 - ▶ Uphold the right of citizens to form new foundations and associations.
- ▶ Acknowledge a strong independent sector as an essential component of open civil society.
- ▶ Encourage individual and corporate community involvement.
- ▶ Promote funding partnerships in the public, private and voluntary sectors.

The Berlin Blueprint

Six years after Prague, on the eve of the new millennium, and on the

tenth anniversary of the fall of the Berlin Wall and the EFC's creation, the Centre's leadership assessed the organisation's achievements, and pondered how to make it as effective as possible over the following decade. The result was the Berlin Blueprint for the Millennium, which was unanimously approved by EFC members on 9 November 1999. Like the Prague Declaration, the Berlin Blueprint was an aspirational text describing the environment for European foundations. But unlike the Declaration, the Blueprint had specific consequences for the EFC Secretariat's internal organisation, as well as its committee structure.

To achieve these goals, the Blueprint defined the roles of two new policy bodies, the European Union (which would later spawn the Code of Practice Working Group, Legal Task Force, Research Task Force, and Tax Task Force) and International Committees, whose seats would be filled by EFC members. This structure further empowered members by expanding their participation in EFC affairs and increased the Centre's impact on



Blueprint introduction at the 1999 Berlin AGA

The Berlin Blueprint

The Blueprint, which drew on a survey of EFC members, defined the need for the Centre to focus on its representative role in Brussels. Fine-tuning the EFC's vision and mission, the Blueprint set the EFC three institutional goals:

- ▶ To promote an enabling environment for independent funding.
- ▶ To strengthen the community of independent funders.
- ▶ To facilitate new philanthropic efforts by current and future generations.

representation and monitoring by widening its reach. Other changes in governance included further distinguishing the roles of the EFC Governing Council, which would focus on overall strategic goals and priorities, and the Management Committee, which would oversee the Centre's operations.

The Blueprint acknowledged that the EFC's founders had decided to combine the roles which in the USA were filled by the Foundation Center and Council on Foundations. The EFC had been expected first to establish a core Center-type information function and then a membership Council-type organisation representing its members and offering them core membership services, underpinned by Center-type information work. But owing to the climactic events of 1989, the EFC attempted both tasks simultaneously, and work in central and eastern Europe also became a priority, deflecting

EFC Chairs 1989 – 2011

Raymond Georis
European Cultural
Foundation
(November 1989 –
November 1991)

Horst Niemeyer
Stifterverband für die
Deutsche Wissenschaft
(November 1991 –
November 1993)

Michael Brophy
Charities Aid Foundation
(November 1993 –
November 1995)

Francis Charhon
Fondation de France
(November 1995 –
November 1997)

Carlos Monjardino
Fundação Oriente
(November 1997 –
November 1999)





(L–R) Luc Tayart de Borms, John Richardson and Carlos Monjardino present the Berlin Blueprint

the focus away from Brussels. Recognising the organic way that the Centre had grown in its first decade, Luc Tayart de Borms of the King Baudouin Foundation, who was also EFC Chair at the Blueprint's launch, recalls that the document set out not to 'throw away the things we were doing in eastern Europe, but rather tried to get us to look back to what was initially the job and the reason of existence of the EFC, which was looking to Brussels and its institutions. In the beginning we had no real network inside the

The Berlin Blueprint tried to get us to look back to what was initially the job and the reason of existence of the EFC, which was looking to Brussels and its institutions.

Luc Tayart de Borms, King Baudouin Foundation

European Commission, which as a trade organisation of the sector was not really normal.' So while the achievements of the Centre in its first decade were productive, the Blueprint aimed to bring coherence to future initiatives.

Luc Tayart de Borms
King Baudouin Foundation
(November 1999 – June 2002)



Dario Disegni
Compagnia di San Paolo
(June 2002 – June 2004)



Dan Brändström
Stiftelsen Riksbankens Jubileumsfond
(June 2004 – May 2006)



Wilhelm Krull
VolkswagenStiftung
(May 2006 – May 2008)



Emílio Rui Vilar
Fundação Calouste Gulbenkian
(May 2008 – May 2011)



Recognising the ambition of the Blueprint's plans, the document emphasised the need for a clearer approach to EFC resourcing, and underlined the disproportionate share of EFC membership income coming from US organisations (see Chapter 3). So a Resourcing Committee was also proposed, which later became the Resource Development Committee. The human resources needed to meet the Blueprint's goals were also considered, and the positions of Chief Operating Officer and a full-time accountant were added to the internal EFC structure. With the mandate of the Blueprint in hand, the reorganised Centre strode confidently into its second decade.

The Athens Assessment

Five years on from the unanimous adoption of the Berlin Blueprint, the EFC underwent further evaluation. In 2003, the process that produced the Athens Assessment examined the Centre's achievements and advised on its future strategy. Wilhelm Krull of the Volkswagen Stiftung says that the Assessment aimed to 'look back at the first years of the EFC, acknowledging that the world had changed quite considerably since then. There were new challenges ahead, so we considered what was needed in order to rethink the mission of the EFC itself.'^{*} However, shortly before its fourth meeting in Madrid in March 2004, the committee – and with it the whole of Europe – was shaken to the core by terrorist attacks. The committee unanimously agreed that these atrocities called for joint responses on all levels, as well as a renewed European spirit. Adding further impetus to the review process, the Athens Assessment Committee decided that

^{*} A committee of members (led by then EFC Chair Dan Brändström of Stiftelsen Riksbankens Jubileumsfond, and Vice-Chairs Dario Disegni of Compagnia di San Paolo and Krull of the Volkswagen Stiftung) was consulted, and the process was opened to a wider audience at the 2004 Athens AGA.

it was time for European foundations to take on a more prominent leadership role across Europe as they laid out their recommendations.

Much has been achieved since 2004 to realise these goals. But some, such as changing the EFC's name to the 'European Foundation Council', were not implemented (in Siena in November 2006, the EFC Governing Council discussed the Centre's name and branding, and agreed to retain the title 'European Foundation Centre'). According to Disegni, how the EFC works today 'is the result of the Athens Assessment and later adjustments that came after the Assessment. I see now a very solid organisation with clear objectives, and also with good governance and good organisation of the headquarters.' The Assessment also described the candidate profile for the EFC's next Chief Executive as John Richardson, the Centre's Chief Executive since its launch in 1989, was due to retire in July 2005.

In the EFC I see now a very solid organisation with clear objectives, and also with good governance and good organisation of the headquarters.

Dario Disegni, Compagnia di San Paolo



(L–R) Dario Disegni and Dan Brändström present the Athens Assessment (2004)

The Athens Assessment

Closer in nature to the Berlin Blueprint than the Prague Declaration, the Athens Assessment was somewhat inward-looking in the plans it laid out. In summary, the Athens Assessment said that the EFC should:

- ▶ Become the 'voice of European foundations' and address the opportunities and challenges facing Europe. Steps should be taken to broaden the EFC's basis, allowing it to act with greater credibility and legitimacy.
- ▶ At least double its membership within four years in order to achieve the required legitimacy and reputation. Cooperation with national donors' associations should be institutionalised by gradually integrating them into the EFC as partners and encouraging their full participation.
- ▶ Represent foundations and national associations at European level while maintaining its role as an incubator for international cooperation and independently funded projects.
- ▶ Reconcile its financial situation and create more reliable income structures to ensure economic continuity for its core activities and the fulfilment of its mission. Its future funding should be based on several pillars.
- ▶ Align its activities into two categories: annual fee and general purpose grant-based activities, and activities financed by special grants.
- ▶ In the medium term set up a membership structure indicating different levels of participation and consider a new membership contribution scheme reflecting a foundation's interest and ability to pay.
- ▶ Initiate a monitoring and review process to develop a sustainable framework for the needs, tasks and structures of the EFC's committees and interest groups.

Gerry Salole and Chief
Operating Officer Leticia
Ruiz-Capillas at work (2007)



Strategic Plan

On 1 September 2005 the new Chief Executive, Gerry Salole, took the reins and was given a mandate to define a new Strategic Plan for the Centre, of which the Athens Assessment was a key element. Krull notes: 'It is important to pay tribute to the remarkable achievements of John Richardson and the chairpersons during the first phase of the EFC, and then I would emphasise the new beginning... with the Athens Assessment process, the subsequent changes of the governance and fee structures, and of course the recruitment of Gerry Salole.' The Assessment had bridged the tenures of two Chief Executives, and laid the groundwork for a new EFC chapter.

The Strategic Plan was published in 2007 and tackled many of the same subjects as its predecessors, outlining a short-term plan for addressing membership fee and governance issues. At the 2007 Madrid AGA, members unanimously endorsed the first major membership fee reassessment. They decided to abolish the 'funding member' category, with only a base of 'members', as from 2008. They also decided that all members would pay a higher minimum fee of €4,000, and would be encouraged to contribute a voluntary membership fee, based on income or assets (the revised membership structure is outlined further in Chapter 3). Major changes were also introduced to the Governing Council and Management Committee, including the number of members on each, the terms of members, and the election procedure. 'It was extremely important that we introduced a rotating scheme for the Governing Council, so that it's not the same foundations sitting on the Council all of the time. With an expanding membership, you have to make room for new members as well,' Krull explains.

These revisions meant major changes to the Centre's statutes, and a Nomination Committee was set up to ensure EFC governance worked

All of the people delegated to those committees have a large degree of proven skills and experience – many of them are wise personalities and they take care of the quality of work in a particular area.

Gottfried Wagner, formerly of the European Cultural Foundation

smoothly, as well as ensuring a balance of gender, geographic region, and size and type of organisation on EFC governing bodies. An Audit Committee was also added to the EFC structure, responsible for monitoring the EFC's finances alongside external auditors. Finally, the EU, International and Resource Development Committees completed their work in late 2006

and were replaced by four member-led programmatic committees in early 2007: the Capacity Building, Communication and Research, Legal, and Network Building Committees. Gottfried Wagner, formerly of the European Cultural Foundation, underlines the importance of having experienced foundation sector representatives on these: 'When it comes to the smaller committees then you have very experienced individuals . . . all of those people delegated to those committees have a large degree of proven skills and experience – many of them are wise personalities and they take care of the quality of work in a particular area.'



John Richardson (far right) with members of the Management Committee at the 1995 Seville AGA

Drivers of change

While each new phase in the organisation's evolution has been informed by all members' needs and concerns, such drastic changes could not have been wrought without strong guidance from EFC governing bodies. Christopher Harris formerly of the Ford Foundation observes: 'One really has to acknowledge the incredibly important role that the Governing Council, and especially the Management Committee, have played, particularly over the more recent years at the EFC. Anyone who says that all boards are irrelevant cannot make that argument in this institution.'



EFC Governing Council
meets in Berlin (November
2009)



Chapter 6

Advancing the position of foundations at EU level

Serendipity has played an invaluable role in the history of the EFC. However it was no chance decision that the EFC founding members agreed to base the Centre in Brussels in 1989. As a body representing the interests of its members, public benefit foundations working in Europe, the EFC saw the urgent need to become fully engaged in the European project and strengthening civil society across the continent. Already at the first AGA in 1990, several speakers raised the alarm about revisions to the European Community's Treaty of Rome, which had potentially serious consequences for foundations and how they operate. Public affairs specialists had already warned that changes were afoot in Europe which could jeopardise the status of foundations.

Despite the intention that the EFC should represent foundations at European level, some

As a body representing the interests of its members, public benefit foundations working in Europe, the EFC saw the urgent need to become fully engaged in the European project and strengthening civil society across the continent.

argue that the focus on events across central and eastern Europe after 1989 obscured the Centre's original political thrust. Nevertheless, over its first decade the EFC successfully developed relations with the EU and its institutions, monitoring policy developments affecting foundations, raising the sector's visibility and advocating a better working environment. With the adoption of the Berlin Blueprint for the Millennium in 1999 (see Chapter 5), the Centre's strategic objectives were rethought, and the Blueprint clearly made relations with EU institutions a top priority. To reinforce work on this, the member-led EU Committee was set up. It led to the creation of Legal, Tax, and Research Task Forces, and a Code of Practice Working Group. Further emphasising this priority, as part of the Centre's 2007 Strategic Plan, the committee structures were revised, which led to the establishment of a Legal Committee and a bespoke Advocacy Task Force.

Lessons learned: Monitoring and representing EFC members

If one major lesson has been gleaned from the EFC's advocacy work, it is that monitoring EU institutions is not for the faint-hearted. It requires ploughing through endless documents produced by the EU institutions and communicating relevant details in précis to EFC members. Through a steady flow of information

on EU funding opportunities, programmes and legislation, and a series of events known as Eurobriefings, the EFC has tried to keep its members aware of key policy developments and offered opportunities to make contact with European practitioners and policy-makers in their field.

The Centre has also paid close attention to key legal and fiscal developments at national and European level, sharing information and holding



EFC representatives meet
European Commission
President José Manuel
Barroso (2005)

events to discuss with foundation law experts the impact these have on foundations and how they operate. Topics include cross-border giving in Europe, economic activity and major shareholding, the European Foundation Statute, the influence of EU law on national law, and the implications of European Court of Justice rulings. Mall Hellam, of the Open Estonia Foundation, notes the value of these services: 'The EFC's careful monitoring and information-sharing is of great benefit, as we wish to work in a united Europe and are therefore interested in following developments that affect our work such as legal and taxation, and cross-border donation issues.' Information-sharing on EU matters has also helped EFC members based outside Europe. Christopher Harris, formerly of the Ford Foundation, observes: 'We get a better understanding of how Europe works. Most of what I know about the EU institutions and their governance, I've learned through colleagues at EFC meetings.'

It is not easy to be heard above the din of other trade organisations vying for EU institutions' attention. But this has been the EFC's goal so as to best defend its members' interests and promote the vital role foundations play. When EU policy developments look likely to undermine the work and

The EFC's careful monitoring and information-sharing is of great benefit, as we wish to work in a united Europe and are therefore interested in following developments that affect our work.
Mall Hellam, Open Estonia Foundation



status of foundations, the EFC has reacted swiftly. For Bente Groth of Realdania, this work is crucial, especially for smaller foundations: 'I think the EFC has an important role to play in informing all members about what's going on at the EU level and to advocate on our behalf because small countries like Denmark and small foundations don't have the resources to follow what's going on in Brussels... I think that the EFC has an important role there and they are close to the institutions.' Harris agrees: 'Individual foundations are in no position to be able to engage with the EU institutions in ways that are broad-based enough, and inclusive enough, as well as politically powerful enough to deal with the governance. So the Centre, in its role of pushing for the European Foundation Statute, for example, and other challenges that have come up across Europe in other countries, has played a significant role. I don't know who would have done that otherwise... to think about it European-wide and

to have the political weight is not insignificant.'

The advocacy work also helps educate EU institutions about foundations, believes Groth: 'You have so many different bodies working in... the philanthropic sector, and I worry that the Parliament and other institutions don't know what a foundation is.'

Speaking on behalf of foundations and keeping them on the EU radar has paid off, feels Carlos Paramés of the Asociación Española de

Fundaciones: 'I believe that the EFC has grown up to become the major voice and advocate of foundation rights and interests in Europe. The recognition that the EFC has won from European Union authorities guarantees something which would have been thought unbelievable some years ago.' Proof perhaps of this recognition are the many senior EU representatives,

The EFC has grown up to become the major voice and advocate of foundation rights and interests in Europe. The recognition that the EFC has won from European Union authorities guarantees something which would have been thought unbelievable some years ago.

Carlos Paramés, Asociación
Española de Fundaciones

including Commissioners and Members of the European Parliament, who have participated in the Centre's events. Further acknowledgment of the EFC's advances came in 2009 when José Manuel Barroso, President of the European Commission, sent video messages to the Rome AGA and the EFC's 20th anniversary celebrations, in which he welcomed the work of foundations in Europe and worldwide.

The EFC's acquired standing has increased foundations' awareness of the Centre's potential, believes Üstün Ergüder, of TÜSEV: 'I've sensed a growing interest in the EFC by European foundations and . . . the EFC is more and more gaining the reputation of being useful to European foundations, particularly . . . trying to improve the legislative framework and the operational environment for foundations . . . the EFC has been successful in this sense, and the growing interest in the EFC is a very good indicator of this success.'

Consultations, submissions, positions

As its EU services have evolved over the past 20 years, the EFC has left no stone unturned, making numerous contributions to EU policy papers. Some important interventions include:

Cultivating the right operating conditions

A major policy paper on improving the operating framework for foundations was the *Communication on Promoting the Role of Voluntary Organisations and Foundations*, the first-ever EU policy document addressing foundations. Although the Communication was only published in 1997, work on it began in 1992, when the EFC helped the European Commission design a survey to map out the foundation sector in the EU. The EFC

The Communication sought to raise the visibility and understanding of foundations and other non-profit organisations and commend them to policy-makers as bodies with crucial social and economic importance.

provided information, including details on national legal and fiscal frameworks, the sector's economic weight and foundations' contribution to social problems.

The findings were fed into the Communication, which sought to raise the visibility and understanding of foundations and other non-profit organisations and commend them to policy-makers as bodies with crucial social and economic importance. The paper argued that foundations had been underestimated and that their diverse contributions would be increasingly important to Europe's development. It proposed measures at EU and national levels to strengthen the sector in Europe and ensure a better operating environment. The EFC welcomed the Communication but regretted its greater focus on voluntary organisations than on foundations per se. But the document is highly significant as some of its recommendations remain at the core of the EFC's advocacy work.

Fighting over-regulation

It is widely believed that foundations' ability to innovate largely relies on their independence.

For this reason, in 1993 and 1994 the EFC challenged a proposal by EU institutions for a European seal of approval for selected European foundations and imposition of a statutory EU code of conduct for foundations. The EFC loudly and concertedly opposed these proposals, believing that existing national self-regulation tools, plus the Centre's own Code of Practice, could ensure a high level of transparency and accountability (see page 154). In 2005, the EFC again expressed its concern at over-regulation through a public consultation, this time on draft recommendations to promote voluntary transparency and best practice guidelines in the non-profit

sector which were meant to protect it from abuse from terrorist financing and other criminal activity. While welcoming efforts to strengthen the transparency and accountability of European foundations, the Centre felt that the proposed recommendations would over-regulate the sector, and hamper cross-border and national work by independent funders.

“It’s important that we know where we are, in order to show the EU that we don’t need EU-level regulation for foundations which could be too binding or too difficult to observe.”

Paavo Hohti, Council of Finnish Foundations

To further reinforce this message, in 2009 the EFC and Donors and Foundations Networks in Europe (DAFNE) began analysing national codes of conduct to identify common principles. Paavo Hohti, of the Council of Finnish Foundations, is a DAFNE member involved in the project: ‘This transparency and accountability project will shed light on the level of self-regulation . . . It’s important that we know where we are, in order to show the EU that we don’t need EU-level regulation for foundations which could be too binding or too difficult to observe.’ The initiative is timely and is likely to reinforce recent successful advocacy by the EFC in response to alarming proposals made in October 2009 by the Swedish presidency about non-profit organisations. In a draft text of the Stockholm Programme, the new EU multi-annual programme for freedom, security and justice, it was proposed that the Commission should make binding legal standards for charitable organisations to increase their transparency and responsibility to help combat terrorism financing. Thanks to effective cooperation and coordinated advocacy in Brussels and nationally, the proposal was removed from the presidency’s draft programme.

Making sense of EU funding

The EFC, with several other umbrella organisations in the social economy sector, began pressing for more effective EU funding in 1997, outlining proposals to promote better partnership arrangements for Commission-financed programmes and NGO grant schemes. The campaign stressed that while non-profit organisations represent a vital interface between EU institutions and Europe's citizens, the methods of financing these organisations and the reporting requirements associated with EU funding are not always appropriate. The EFC had already long felt that the EU's grant-funding process should be less bureaucratic, and achieve EU aims more effectively. Key issues included the need to maintain and simplify procedures for small grants, the possibility of introducing in-kind cofinancing, and the introduction of grant thresholds for which an external audit and guarantee were requested from NGOs.

The adoption and review of EU financial regulations in 2002 and 2005 have brought welcome improvements, simplifying funding application, selection and reporting procedures. However, advocacy remains necessary as existing rules maintain the arduous process of setting up genuine public-private partnership funds, and procedures under major EU funding programmes such as research remain generally challenging.

Navigating the VAT trap

When the EU Value Added Tax (VAT) system was planned in the 1960s, foundations and other public-benefit organisations were generally not considered. This omission is still felt today.

When the EU Value Added Tax (VAT) system was planned in the 1960s, foundations and other public-benefit organisations were generally not considered. This omission is still felt today. Public-benefit foundations are often treated as the final consumer, and cannot reclaim VAT. Public-benefit foundations often provide services which are either exempt under the VAT Directive or fall outside the scope of VAT since they do not charge for their services. But in neither case can public-benefit foundations pass on the cost of VAT they incur in delivering services. By contrast, companies pass on the cost of VAT in selling their products or services.

An initial survey (carried out by the EFC in 2009) estimated that a sample of 36 EFC members lose over €40 million a year through VAT. Given the huge financial impact on the sector, the EFC raised the matter with President

Brussels Legal Seminar
(2007)





EFC Management
Committee meets
European Commission
President José Manuel
Barroso (January 2009)

President Barroso understands the importance of civil society and foundations in particular – as a result foundations will always find the door of his office open to go on with the dialogue that we started.

Emílio Rui Vilar, Fundação Calouste Gulbenkian

Barroso at a Management Committee meeting in January 2009. 'With the support of the President of the Commission, I hope that something

can change in favour of the foundation sector. President Barroso understands the importance of civil society and foundations in particular – as a result foundations will always find the door of his office open to go on with the dialogue that we started,' says Emílio Rui Vilar of Fundação Calouste Gulbenkian. This important meeting has had a wide-ranging impact, enabling some

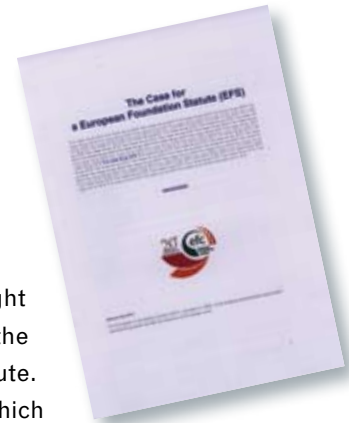
EFC members to press for better tax treatment for foundations in their own country. 'The EFC's legal and fiscal work has provided a great deal of input, credibility and momentum to the Turkish Foundations Law reform work led by TÜSEV [Third Sector Foundation of Turkey], and continues to be an important reference point for latest developments that can then be fed into the Turkish reform process,' says Filiz Bikmen of the Sabanci Foundation.

Working towards a European Foundation Statute

Perhaps the longest and hardest-fought EFC battle at EU level has been making the case for a European Foundation Statute. Unlike people, goods and businesses, which have reaped the benefits of free movement within the EU's single market, foundations wishing to do cross-border work are still obstructed by considerable legal and fiscal red tape. A European Foundation Statute would be an additional and optional statute, governed by European law and complementing national laws. Existing foundations would be free to decide if they wished to use the new European legal form. A statute would allow foundations and funders to easily set up a European foundation enjoying the same conditions throughout the EU.

The need to create free movement for foundations across Europe has been central to the EFC's advocacy work from the outset. At the 1990 Bruges AGA, the then Chief Executive, John Richardson, told participants of a 'special statute for non-profit organisations' being considered by the European Commission, which would enable them to take full advantage of the Single Market. Such a statute would have serious implications for EFC members' long-term effectiveness. Michael Brophy, then with the Charities Aid Foundation, said in 1993: 'The EFC is confident that it can be an effective contributor, provided that it is accorded the appropriate legal and fiscal environment in which to assert the independent funding sector's traditional flexibility and freedom of action.'

Why has the EFC fought so long for the statute? Most importantly, because such a tool would support and increase cross-border work, allowing foundations from different regions to more easily manage global issues that



Making the case for the
European Foundation
Statute

A European Foundation Statute would support and increase cross-border work, allowing foundations from different regions to more easily manage global issues that cross national borders.



'A European Foundation Statute – what for, how, when?' session at 2004 Athens AGA

cross national borders. These issues are most effectively dealt with in cooperation with foundations in neighbouring countries, or communities facing similar situations. The statute would encourage more foundations to include a European dimension in their activities. A statute would also offer legal certainty and major cost savings resulting from pan-EU uniformity and would be a trusted legal tool easing cross-border operation. It would offer foundations and funders a flexible European legal instrument to design internal governance structures and further develop their organisation and activities. Finally, a European Foundation Statute would bring clarity to the concept of foundations and might provide a common definition of 'public-benefit foundations' across the EU where the term 'foundation' is used loosely to refer to diverse undertakings.

Initially, a draft European statute for associations was intended to cover both associations and foundations. But owing to the many differences between the two legal structures, it became clear that a separate, tailored legal form was needed for foundations. Stressing the unique nature of foundations, the EFC repeatedly demanded the removal of references to foundations in the draft association statute (which was withdrawn from the EU legislative process in 2006). One major opportunity to press for a statute specifically targeting foundations arose in 2002 when a high-level group, set up by the Commission to review European company law, held a two-month consultation. This allowed the EFC to call for a specific, optional regulatory tool for European foundations, stressing that such a statute is required to provide a truly competitive legal framework. The Centre also said that given the diverse cultural and legal traditions in Europe, harmonisation of national laws was neither desirable nor feasible.

In 2003, based on the group's recommendations, an action plan on modernising company law was published, in which the Commission undertook

to launch a feasibility study on a European Foundation Statute. The EFC had already begun work on recommendations for such a statute. The draft was completed a year later and presented for debate at the 2004 Athens AGA, before the EFC's recommendations were completed in 2005. As a result of the strong response by the foundation sector and other interested stakeholders to a public consultation on modernising company law in 2005 and 2006, the long-awaited feasibility study received the green light in April 2007. The study, run by the Max Planck Institute for International Private Law and the Centre for Social Investment at the University of Heidelberg, encouragingly concluded that a European Foundation Statute was the most cost-effective policy option for tackling cross-border barriers and stimulating foundation activity.

Following the feasibility study's publication in February 2009, the Commission launched a public consultation to assess demand for the statute. Some 250 foundations responded, thanks to the support of EFC members and DAFNE. According to the consultation's results, the Commission will decide whether to proceed with a formal proposal for a Directive for a European statute. After that the proposal will enter the EU legislative process, where a unanimous decision by all EU countries is required. For this reason, the EFC is working closely with its members and the members of DAFNE to raise national governments' support for the statute.

Francis Charhon of the Fondation de France, who has taken a leading role in the EFC's EU work for many years as chair of the EU Committee and as a member of the Advocacy Task Force, underlines the need for the statute: 'Foundations are increasingly dealing with complex problems which



Gerry Salole encourages foundations to respond to statute consultation at the 2009 Rome AGA

Foundations are increasingly dealing with complex problems which have become transnational, for example, health and poverty. To work with these complex problems, we have to have a statute that allows foundations to work abroad.

Francis Charhon, Fondation de France

The Persche and Stauffer rulings

The Persche case, ruled on in January 2009, said that since the possibility of obtaining a tax deduction can have a major influence on the donor's attitude, the inability in Germany to deduct gifts given to bodies which are recognised as charitable if they are established in other EU countries is likely to affect German

taxpayers' willingness to make gifts to such bodies. Therefore such laws constitute a restriction on the free movement of capital that is, as a rule, prohibited.

In September 2006, the European Court of Justice ruled on the Stauffer case, stating that German tax law breaches the EC

Treaty as it discriminates against public-benefit foundations on the grounds of residency alone. A public-benefit organisation based in another EU country, which qualifies as such in Germany, should receive the same benefits as a domestic one. The ECJ also denied any justification for this type of discrimination.

have become transnational, for example, health and poverty. To work with these complex problems, we have to have a statute that allows foundations to work abroad. If we have a statute, we will resolve some administrative burdens too, thereby reducing costs and providing more resources and capacity for foundations to work beyond their borders.'

According to Luc Tayart de Borms of the King Baudouin Foundation, who chairs the Advocacy Task Force, the statute is crucial to further development of the European project: 'Europe is not only about the circulation of capital and people, it's also about foundations, associations, social organisations, and NGOs working together. And that's what's happening a lot. However, for the moment, we incur the financial burden by not having a European Foundation Statute. The absence of a statute is in fact blocking an opportunity for Europe to become more European and also to create greater European citizenship. If we don't have the statute, the next phase in Europe's development will be hindered. For us a statute is a necessary evolution of our work, which implies working together at a European level.' Recent rulings on the conflict of national tax laws with the EC Treaty from the European Court of Justice accord with the EFC's position. The recent Persche and Stauffer rulings, plus infringement procedures against the majority of EU Member States (21 EU countries have been contacted about their tax treatment of cross-border donations, with the latest being Latvia in late 2008), mean that the more favourable environment for public benefit foundations called for by the EFC continues to move closer within grasp.

Addressing common goals

The EFC has also worked with EU institutions on matters of common interest. Foundations and EU representatives plus other stakeholders have tackled common challenges in a wide range of policy areas. Like any big initiative, the European project requires a joint effort by a diverse array of partners with different perspectives. Their range of interests, independence, and proximity to the grassroots make foundations natural partners for EU institutions.

One shared goal is to build Europe's research landscape. According to Eurostat figures, there has been scant change in Europe's research and development spending in recent years, and it is clear now that the EU has not met its commitment to invest 3 per cent of its GDP in research and development by 2010. Europe will therefore continue to trail the United States in annual research and development spending and faces competition from Japan and other Asian nations, notably China and India. Recognising the role philanthropy plays in supporting the sector, an EU expert group which included the EFC and its members was set up in 2005 to provide policy measures at EU and national levels to promote foundations' role in research and development. One of the group's key recommendations was to set up a forum bringing together research-orientated foundations and other research stakeholders to exchange best practice, cooperating on research funding, and promoting a more favourable environment for private philanthropy to support research. The EFC therefore launched the European Forum on Philanthropy and Research Funding in 2007, supported by several members and the Commission. The Forum's annual conference and practical workshops raise awareness about foundations' contribution to research. It also provides a useful network to review practices and the challenges they face in research funding.



(L – R) Philippe Busquin, former European Commissioner for Research, and Wilhelm Krull at the 2002 Brussels AGA, themed 'Science and the citizen'



European Forum on
Philanthropy and Research
Funding (London,
December 2009)

‘It makes sense for foundations to engage at the European level and invest in common efforts to launch more cooperative programmes, as well as to strengthen public and private investment in research and development.’

Wilhelm Krull, VolkswagenStiftung

When it was launched, Europe's Science and Research Commissioner Janez Potočnik said: ‘The Forum is proof that the research and philanthropy worlds are ever more interested in each other . . . the time has come to put this relationship on a firmer footing.’ For Wilhelm Krull of the VolkswagenStiftung, the Forum is a pragmatic vehicle: ‘It makes sense for foundations to engage at the European level and invest in common efforts to launch more cooperative programmes, as well as to strengthen public and private investment in research and development.’ This feeling is shared by Giuseppe Guzzetti, of Associazione di Fondazioni e di Casse di Risparmio (ACRI) and Fondazione Cariplo: ‘Joint projects or programmes don’t come without their difficulties, but successful partnerships which are born out of the common vision of individuals and institutions reap many more benefits than the sum of any compromise that may be negotiated . . . research cannot thrive in isolation . . . the partnerships we develop today . . . will ensure European research prospers.’ The Forum is nearing the end of its successful pilot phase. Given the momentum it has built over its first three years, it promises to be an integral part of future EFC work.

(L–R) Tim Hunt, Nobel Laureate, and Pier Mario Vello of Fondazione Cariplo and European Forum on Philanthropy and Research Funding Chair from 2007 to 2010 (London, December 2009)



European alliances and partnerships

The EFC's successes at EU level have not been solo achievements, but have required cooperation between diverse players, particularly other third sector umbrella organisations. Joining forces over a shared agenda can lead to the most fruitful of relationships. In the EFC's history of EU intervention, the most common partners and allies have been Europlatform, the European Roundtable of Associations and Foundations, and Social Economy Europe. The latter is perhaps the biggest and longest-lasting coalition in which the EFC has operated. In addition to these platforms, the EFC works with several structures set up by the EU: the European Economic and Social Committee, and the European Parliament Social Economy Intergroup. The EFC has contributed to debates and consultations on matters including structuring cooperation with European civil society organisations and networks, EU funding, enlargement, social cohesion, and the role of social economy organisations in local and regional employment.

Social Economy Europe

Social Economy Europe was established in 2000, under the name the Standing European Conference of Cooperatives, Mutuals, Associations and Foundations (CMAF) (the French abbreviation is

CEP-CMAF). This independent platform promotes the role and values of social economy players in Europe and reinforces political and legal recognition of the social economy and cooperatives, mutual

societies, associations and foundations at EU level. It carries out much of the work of the EU's Consultative Committee for CMAF formed in 1994.

What isn't counted doesn't count

The EFC could play a catalytic role in bringing about a foundation sector in Europe and creating a conceptual framework for each country's legal situation, while taking into account cherished traditions.

Michael Brophy, formerly of the Charities Aid Foundation

It has long been acknowledged that if the EFC is to be a successful advocate for European foundations, it needs hard facts and comparative information on the sector. Brophy pointed this

out at the 1990 Bruges AGA: 'The EFC could play a catalytic role in bringing about a foundation sector in Europe and creating a conceptual framework for each country's legal situation, while taking into account cherished traditions. To do so though urgently requires contextual details and statistical data to fill in the gaps in information. The EFC should concentrate on giving pictures of the European foundation sector's legal and fiscal frameworks and statistical data.' Brophy's concern was shared by many EFC founding members. In 1993, the 'European Dossier' was established as part of the Orpheus programme, to document and publicise information on foundations active in Europe (see Chapter 3). Although the information was quite

general, it helped encourage greater transparency among European foundations and raised EU institutions' awareness of their work.

The first attempt to comprehensively document varying legal and fiscal frameworks was initiated in 1995 with the publication of *Selected Legislative Texts and Commentaries on Central and Eastern European Not-for-Profit Law* (a publication jointly

produced with the International Center for Not-for-Profit Law (ICNL) and the Union of Bulgarian Foundations). But as the EFC's advocacy work grew, so did the scope of its benchmarking work. In 2002 the EFC published *Foundations in the European Union: Profiling Legal and Fiscal Environments*, which acknowledged the striking diversity of European foundations. The publication was the basis of *Fundamental Legal and Fiscal Principles for Public Benefit Foundations*, which described good legal and fiscal regulation and



practice. Based on these principles and the comparative study, the EFC wrote *Model Law for Public Benefit Foundations in Europe*, which illustrated how the principles could be translated into national law, and used for future EU-level laws. In 2007, the EFC and its network of national foundation law experts completed an updated survey of national legal and fiscal frameworks in the enlarged EU. The result was two publications: *Foundations' Legal and Fiscal Environments: Mapping the European Union of 27* and *Comparative Highlights of Foundation Laws: The European Union of 27*, comprising user-friendly charts for easy comparison. The wealth of knowledge gathered on foundations' legal and fiscal conditions across the EU has been valuable to EFC members for national advocacy. Filiz Bikmen of the Sabanci Foundation says: 'As part of the law reform work at TÜSEV [Third

Sector Foundation of Turkey], we have drawn on several examples from the EFC's legal and fiscal country profiles in making a case for changes to association and foundation laws in Turkey.'

We have drawn on several examples from the EFC's legal and fiscal country profiles in making a case for changes to association and foundation laws in Turkey.

Filiz Bikmen, Sabanci Foundation

But while the EFC has successfully made the case for foundations to the EU institutions, it

has repeatedly encountered the same challenge: how to defend a sector without having a clear idea of its size and economic weight? For this reason in 2003 the Centre set up a Research Task Force, bringing together national partners to gather data on foundations in Europe. The Task Force ran two surveys in 2003–5 and 2006–8, to assess public-benefit foundations and provide key data on the scale of the sector in the EU. The results were published in *Foundations in the European Union: Facts and Figures*, which has been invaluable to the EFC's core advocacy work, especially its campaign for a European Foundation Statute.

If at first you don't succeed . . .

Despite its setbacks, over the years the EFC has relentlessly contributed to key EU gatherings on amending the European Treaties and reshaping EU objectives, policies and institutions.

Of course, the EFC has experienced obstacles to its relations with EU bodies, and inevitably the tale does not consist solely of success stories. But despite its setbacks, over the years the EFC has relentlessly contributed to key EU gatherings on amending the European Treaties and reshaping EU objectives, policies and institutions. At times the effort has seemed fruitless. An example is the Intergovernmental Conference, which reviewed the Maastricht Treaty in 1996 and 1997. The EFC tabled a submission at a European Parliamentary hearing on the Intergovernmental Conference in October 1995, urging EU-level recognition of independent funders' unique role in building a sustainable civil society. It also expressed the funders' concerns about revision of specific articles of the Treaty of the European Union on various social issues. Unfortunately the outcome of the Intergovernmental Conference produced limited progress on social matters and fundamental rights, and the EFC's voice was ignored, resulting in a revised Treaty which failed to recognise the role of foundations and associations in the EU.

Undeterred, the EFC attended, and commented to, the Convention on the Future of Europe established in 2001 by the European Council to draft an EU constitution. The EFC then issued a position paper presenting EFC members' key concerns: greater recognition of foundations, better EU-level consultation, incorporation of the Charter of Fundamental Rights into the constitution, and recognition of the role of services of general interest. The proposals on consultation and active citizenship, and on the Charter were accepted and integrated into the constitution. But the EFC's battle was ultimately in vain as the text became obsolete when French and Dutch voters rejected it in 2005.

Future perspectives

The EFC has come some way in establishing itself as the voice for foundations in Europe, but Gottfried Wagner, formerly of the European

Cultural Foundation, points out that there is no room for complacency: 'The EFC has managed to position itself step-by-step as a real interlocutor with the European institutions. But that's not yet fully accomplished; it's still very much the beginning of a process.' As long as the EU keeps issuing and revising legislation and policies, the EFC will continue advocating on behalf of its members and the sector. As in the past, campaigning for the statute and better legal and fiscal environments at national level will remain at the heart of the EFC's advocacy work, which is essentially a long-term objective. Mats Rolén of Stiftelsen Riksbankens Jubileumsfond has 'a dream to have the same tax rules for donating all over Europe and to have the possibility to donate across borders and have tax deductions.

We need to have a very long-term perspective because it may be years before we have this common legal statute for foundations.

Mats Rolén, Stiftelsen
Riksbankens Jubileumsfond

But we need to have a very long-term perspective because it may be years before we have this common legal statute for foundations.'

While the focus of the EFC's work has essentially been on EU member states, in future closer attention should also be paid to neighbouring countries, suggests George Zarubin of

the Eurasia Partnership Foundation: 'Most of the countries in the former Soviet Union do not have endowment laws and do not have a great deal of support for indigenous development of philanthropy . . . The EFC could play a very important role and I would think that the European foundations would want to assist countries that are on Europe's boundaries to adopt legislation that is consistent with European legislation . . . I would hope that the research, the efforts, the thought that has gone into creating these charters or draft laws could also be used by the EFC to help countries such

Sharing of best practice would help both the foundations acting as funding intermediaries and the European Commission understand one another's concerns.

Avila Kilmurray, Community
Foundation for Northern Ireland

as Armenia, Azerbaijan and Georgia, where there are no statutes.'

The EFC must also remain active on other fronts, especially to ensure the effective shaping of civil society transnationally and in Europe. Wagner believes that 'the European

Foundation Statute is extremely important, but that's not the only purpose for positioning the foundations vis-à-vis the public European institutions . . . The question is who structures and who helps civil society to structure it across the local boundaries? . . . At the European level it's extremely difficult, and there the EFC, and often the Network of European Foundations for Innovative Cooperation (NEF) and the Hague Club play a very important role.' Part of this work involves raising foundations' visibility and further engaging them with EU institutions, which Avila Kilmurray of the Community Foundation for Northern Ireland believes could be achieved by drawing on the experiences of members who have strong links with the EU: 'We have acted as an intermediate funding mechanism for the Commission over a decade so we have fairly detailed critiques of the mechanisms and the technicalities of working with the Commission . . . That's an example of where the EFC could perhaps draw on our experience – I mean nobody has ever asked us!' This sharing of best practice could have huge benefits. Kilmurray says: 'It would help both the foundations acting as funding intermediaries and the European Commission understand one another's concerns . . . There are layers of bureaucracy that I think foundations who are used to handling money would have a different line on which could be useful if relayed back to the Commission.'

The EFC will need such innovative ideas. Seizing the EU institutions' attention is not easy, and while it would be comforting to predict that the



introduction of a European Foundation Statute is imminent, much still needs to be done to ensure that EU institutions take the EFC's bid seriously. A more robust, evidence-based approach to EFC work with EU institutions must be advanced if the statute and other goals are to be achieved. With guidance from the Legal Committee and Advocacy Task Force, the EFC is developing new ways to engage with EU bodies. One such way is with the AGA. In 2010, reformatted as a 'Foundation Week', the conference will provide a forum where foundations can meet EU representatives and display the sector's achievements and potential. The EFC has been called an organisation that punches above its weight, and this quality may need to develop further if there are to be fresh successes with EU institutions.



Chapter 7

Building bridges: Networking and partnerships

Joint projects aren't without their difficulties, but successful partnerships born from a common vision reap many more benefits than any negotiated compromise. Mindful of the added benefits that collaboration can bring, one of the EFC's key and enduring roles has been as a convener, networking hub and incubator of new initiatives. It has sought to encourage learning, information exchange and collaboration among its members and the broader community of foundations in areas of common interest, focusing on both European and global issues. The Centre has played an important role in strengthening civil society and philanthropic infrastructure by helping build up networks and institutions enabling dialogue, exchange and partnership.

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While it may sometimes be difficult to define exactly when a ‘networking opportunity’ may be taking place—some of the most effective partnerships have been known to occur following a conversation over a cup of coffee—the EFC has strived to provide its members with structured ways to connect with like-minded organisations. Specifically this has been achieved through the formation of interest groups, dialogues and fora (both regionally and thematically focused), consolidating relations with the various national associations of donors, convening and facilitating dialogue between foundations and multilateral organisations, and helping to build civil society and philanthropic infrastructure.

(L–R) Marco Demarie of Compagnia di San Paolo of and Rayna Gavrilova of the Trust for Civil Society in Central and Eastern Europe at the 2008 Istanbul AGA

Interest groups, dialogues and fora

Interest groups began operating in the EFC in early 1991, as the New Europe programme (see Chapter 2) was already well under way, and the Centre was able to focus more time and resources on its members’ needs. By the 1993 Prague AGA, the Centre oversaw ten interest groups set up mainly on members’ initiative. Over the years, the number and mix of the interest groups have fluctuated, with some new groups emerging while others are abandoned or reborn at a later date.

Interest groups differ from other types of gathering as they are member-driven, have a long-term horizon, and seek common goals. They aim to construct a core constituency of like-minded organisations and offer foundations somewhere to engage with each other. Some interest groups have encouraged new donor activity in a given field or region, launched joint projects, and strengthened relations with European and multilateral institutions.

By the 1993 Prague AGA, the Centre oversaw ten interest groups set up mainly on members’ initiative.

Ebb and flow

What sparks off, sustains or extinguishes an interest group? EFC members have often sought out other members and non-members who have similar interests or who are engaged in the same area, to find out what they are doing and how, or to find potential partners. The EFC has provided the European-level infrastructure that has helped them do this. People who initiate these contacts must have a particular need and be willing to invest time and resources in creating an effective interest group. Sometimes, once a need is satisfied, interest groups run out of energy because key players no longer feel the need to keep them going. Sometimes an interest group with a defined objective shuts up shop once the objective is achieved, and occasionally a new group will form around the same issue at a later stage. So, there is an ebb and flow in the emergence and existence of interest groups: some disappear at an early stage and others keep going for several years, while some reappear but perhaps with different members and priorities.

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Ownership

Although the EFC gives support and guidance, it does not have exclusive ownership of interest groups. These are driven by EFC members and other foundations, and each one has its own priorities, internal dynamics, governance structures and participation rules, and can decide whether to use the EFC Secretariat or to set up its own outside the EFC. In fact, interest groups bringing together foundations and corporate funders can form outside the EFC, with the Centre then actively engaging with them. An interesting case is the European Foundation Financial and Investment Officers Group (EFFIO), established in 2002 to advance knowledge on the investment environment and practice of foundations across Europe and further the professionalism



of its members. Although its secretariat resides at the EFC, the platform acts and conducts its business independently of the Centre. Sometimes an interest group may start out under the EFC umbrella but then decide to become independent, as was the case with the European HIV/AIDS Funders Group, which decided to spin off when group members felt it was important for building a more defined sense of ownership. Coming full circle, the Funders Group returned its secretariat to the EFC in 2009.

(L-R) Don Mohanlal of Nand and Jeet Khemka Foundation, Davide Tinelli of Compagnia di San Paolo, and Piero Gastaldo of Compagnia di San Paolo at joint EFFIO and US Foundation Financial Officers Group meeting (London, April 2008)

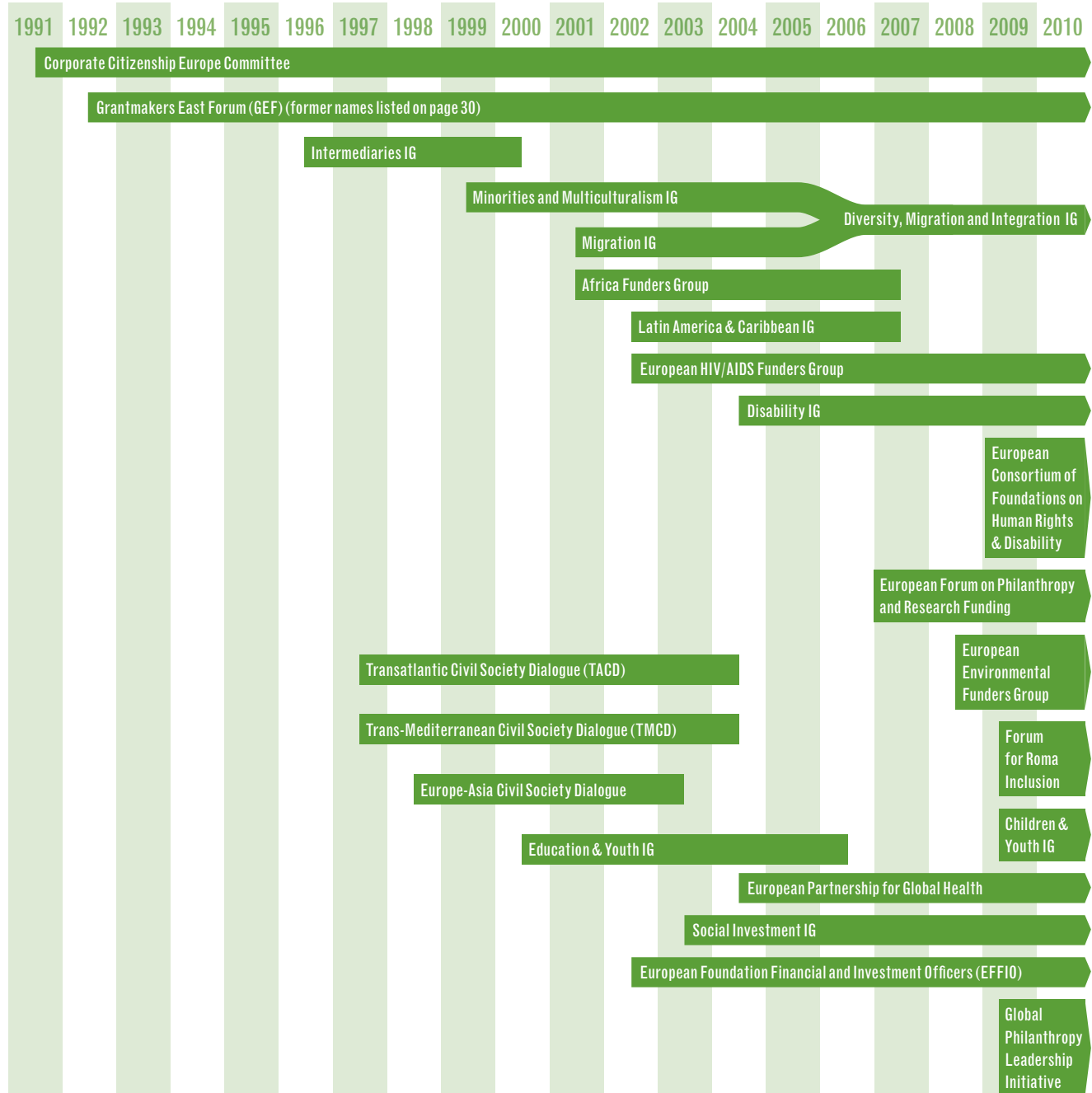
While members usually set up interest groups, the EFC has occasionally helped develop a group, perhaps because several members approach the Centre with the same question or interest. Interest groups are typically incubated in the EFC and 'housed' there for two to three years (while it builds a core group, identifying agendas and priorities, etc).

Interest groups are driven by EFC members and other foundations, and each one has its own priorities, internal dynamics, governance structures and participation rules.

Ivan Vejvoda of the Balkan Trust for Democracy notes that this incubation period is 'a breeding ground for some ideas that may not have occurred immediately without the existence of the EFC'. Miguel Angel Cabra de Luna of Fundación ONCE concurs: 'The EFC acts like an innovating laboratory where innovation projects that are not fitted in other more traditional contexts can be launched.' However, providing space to nurture ideas cannot on its own sustain interest and there is a limit to how far the Centre can encourage interest groups. Interest groups are sustained only by the interest and support of the members. Once this fades the group will come to a natural end.



EFC interest groups over the years



From talking to taking action

While it is impossible to detail the achievements of every thematic interest group in this book, it is important to note some significant initiatives that these groups have yielded over the years. The Education and Youth Interest Group spawned the Youth Empowerment Partnership Programme (YEPP), a collaborative initiative that followed a couple of years of discussions and research among group members. It was the first partnership programme bringing together US and European foundations to address youth empowerment and social cohesion by launching public-private partnerships. The programme continued under the EFC umbrella for several years (2000–5) before becoming independent.

Another example is the European Partnership for Global Health, which was strictly speaking not an interest group, but rather a project designed and incubated by the EFC. It aimed to engage European foundations in the public health agenda with EU institutions and intergovernmental organisations and to work for a common European vision and strategy on global health. In 2006, the group published the first-ever European policy glossary on global health issues, with a comprehensive framework for a possible European agenda and strategy. The European Commission used the glossary to develop the global dimension of EU health strategy.

Another important initiative launched by an interest group, the Disability Interest Group, was the European Consortium of Foundations on Human Rights and Disability, launched in April 2009. The consortium brings together members of the European institutions, NGOs and EFC members, and has the ambitious goal

Launch of the European Consortium of Foundations on Human Rights and Disability (April 2009)



of ensuring that European governments support the ratification and implementation of the UN Convention on the Rights of Persons with Disabilities (a groundbreaking international treaty that entered into force on 3 May 2008). For Cabra de Luna, the Disability Interest Group and its spin-off projects have been instrumental not only in advancing the disability agenda in Europe but also in furthering the work of Fundación ONCE and establishing it as a European leader in promoting the rights of people with disabilities and their families: 'The EFC has contributed to that without any doubt.'

Encouraging dialogue

Another means of networking and cooperating between independent funders was the three dialogues launched between 1997 and 1998:

the Transatlantic Civil Society Dialogue (TACD), Trans-Mediterranean Civil Society Dialogue (TMCD) and Europe-Asia Civil Society Dialogue (EACD). These were generally linked to EU developments such as the New Transatlantic Agenda, an accord between the EU and USA.

The TACD was set up to implement the civil society agenda, bringing EU and US citizens closer by promoting cooperation between foundations, citizens' associations, governments and business on both sides of the Atlantic. Within the TACD, the Trans-Atlantic Donors Dialogue (TADD) was created as an informal network of US and European private and public donors who supported the TACD's goals. Similarly, the TMCD sought to enhance cooperation and exchange of expertise between foundations, corporate funders, public donors and civil society organisations throughout the Mediterranean, while the EACD sought to promote civil society exchanges between Europe and Asia. The TADD was eventually divided into three Transatlantic Initiatives. By 2005 the dialogues had run their course and were phased out and channelled back into EFC core activities.

What are the main lessons from the dialogue experience? As with geographically focused interest groups, the main challenge is the great diversity of interests among funders involved in the dialogues. With the TADD, it proved difficult to build a permanent core group; instead clusters of foundations came together on different issues. With the TMCD and EACD, there was also a problem of low participation – hardly any foundations from the southern Mediterranean were in the TMCD, while the EACD was hampered by the scarcity of active EFC members in Asia. As with interest groups, another challenge was ensuring continued financial support.

With the dialogues discontinued, the EFC began integrating the transatlantic and Mediterranean dimensions into its core activities under the aegis of the EFC International Committee, created in 1999 with the adoption of the Berlin Blueprint, as part of a new EFC governance structure (see Chapter 5). Transatlantic cooperation between foundations remains a priority, including building closer relations with US-based funder networks, and building links between them and their European counterparts.

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Emerging fora

In addition to the wide range of interest groups and dialogues over the past two decades, recent years have seen the emergence of the European Forum on Philanthropy and Research Funding (see Chapter 6) and the rebranding of the Grantmakers East Forum (see Chapter 2). Fora are broad-based platforms that enable funders to network, highlight best practice and identify trends and potential partners. They are much larger than interest groups in terms of the number of participating organisations, and



typically meet each year at an annual conference assembling some 150 participants. In future some geographic interest groups might be transformed into fora, and there have been discussions about a Latin America or an Africa funders' forum, modelled on the highly successful Grantmakers East Forum.

Lessons learned

Several interest groups have grown out of an initial mapping project, funded by a small group of funders; the project then served as a means to identify potential foundations before forming a group.

Building a sustainable interest group can be challenging, especially at the European or trans-continental level, where there is great diversity in interests and types of foundation. It is a complex, time-consuming process that requires strong leadership, ownership and commitment to the process, development of a common vision and provision of adequate support. Leadership is critical and should not be concentrated in one or two organisations but shared with a core of dedicated organisations. It is also important within the first year to identify common goals, and define how to achieve them. These can later be modified but the overall mission and direction should be clarified early on. Launching a joint project has proved a good way to focus groups, for example by initiating a mapping study. In fact, several groups have grown out of an initial mapping

project, funded by a small group of funders; the project then served as a means to identify potential foundations before forming a group. To help the groups to function and get together, establishing a secretariat has often proved effective.

Funding interest groups is an enduring challenge. While typically resources are easier to come by for specific projects than for ongoing support, several interest groups have in fact closed down through lack of funds. Another major challenge has been diversity of interests, agendas, expectations, goals and experiences. Even in a seemingly well-defined area like health, foundations have different priorities and approaches to funding. Geographically focused interest groups and dialogues, in particular, have found it hard to identify common objectives, as there are often different thematic and geographic interests.

Consolidating relations with national associations

Orpheus and donors' associations in Europe

The EFC established early contact with national associations of foundations across Europe through its Orpheus Civil Society Programme (see Chapter 2). Orpheus set up a network of information centres, many being associations of foundations, with the EFC as convener and facilitator encouraging the use of common standards. Members of the network were responsible for building up and maintain-

ing national dossiers on funders in their respective countries. Orpheus then developed a Philanthropy Network Project targeting national donors' associations. It promoted effective collaborative philanthropy in Europe by strengthening information services and building relationships among the diverse associations. In 1996, as part of the project, the

first meeting of European donors' associations took place just before the Paris AGA, setting in motion further annual meetings in conjunction with each AGA.

In 2003, several national associations expressed their interest in developing a closer relationship with the EFC and greater involvement in the Centre's advocacy work.

In 2003, several national associations expressed their interest in developing a closer relationship with the EFC and greater involvement in the Centre's advocacy work. Fortuitously, the EFC had been seeking to reinforce its relations with national associations. In response, the EFC Resource Development Committee proposed creating partnership agreements between the EFC Secretariat and individual associations, to build on existing cooperation and clearly state the duties, responsibilities and commitments of both partners. By late 2004 eight national associations had signed such agreements, indicating that donors' associations across Europe increasingly wished to enhance cooperation with the EFC.

Left: (L – R) Michael Brophy and Miguel Angel Cabra de Luna sign an early Cooperation Agreement between the EFC and the Spanish Association of Foundations at the 1995 Seville AGA

Right: Signatories of the Cooperation Agreement



Becoming DAFNE

Since the early 1990s, the EFC, primarily through Orpheus, had acted as a catalyst, bringing national associations together, facilitating discussion, encouraging peer-learning, building up relationships and developing their capacity. The network was driven mainly by the EFC and the relationship-building process had been complex. Some national associations chose to sign partnership agreements with the EFC immediately, while others needed more time. For several years it was a rather informal group which just met once a year at the AGA. The point eventually came when the associations took over their network, and the convening process which had given rise to the network.

By 2006 this network of European donors' associations had reached a major turning point and decided to establish the Donors and Foundations Networks in Europe (DAFNE), committing themselves to a strategic alliance with the EFC. With DAFNE's creation, the network became more struc-

The DAFNE-EFC relationship offers a wide spectrum of possibilities. I think we shall be able to provide EFC with very useful inputs in many areas of its present and future activities.

Carlos Paramés, Asociación Española de Fundaciones

tured, focused, and self-confident. DAFNE's secretariat was set up at the EFC to support the partnership, which entailed greater involvement by national associations in EFC advocacy work, particularly regarding the creation of a European Foundation Statute (see Chapter 6).

Taking the network a step further, at the 2009 Rome AGA, DAFNE created a fully-fledged governance structure—including its first Chair (Rosa Gallego of Asociación Española de Fundaciones), a steering committee and statutes—and signed a memorandum of understanding with the EFC, further consolidating the relationship. Now when the EFC Chair meets EU officials or MEPs, he or she represents not just EFC members but also the donors' associations in DAFNE. Indeed, DAFNE brings thousands of additional foundations



Carlos Paramés,
Asociación Española de
Fundaciones, signs DAFNE
Statutes (13 May 2009)



into the picture so the EFC can more credibly present itself as the voice of European foundations. Carlos Paramés of the Asociación Española de Fundaciones notes: 'The DAFNE-EFC relationship offers a wide spectrum of possibilities. I think we shall be able to provide EFC with very useful inputs in many areas of its present and future activities.'

Proving its worth

The role and importance of DAFNE were striking in spring 2009, when the European Commission launched its public consultation to assess the need for, and potential impact of, a European Foundation Statute. In no uncertain terms, the EFC Secretariat knew that this was the sector's small window of opportunity to have its opinion on the matter heard by the Commission. All that was needed was for large numbers of European foundations to write to the

Commission in response to the consultation, and in support of the statute. Thanks largely to the support from DAFNE, the Commission received the ambitious target number of responses. If it had not been for this mobilising and encouragement from the various national associations, it is doubtful whether the EFC alone would have been able to reach the target by the Commission's deadline.

We can't live without each other, we need the EFC like a roof and as a significant player on the European level. But the EFC also needs DAFNE, because we have our own resources and links on national levels and can influence decision-making and provide up-to-date information about our countries.

Natalya Kaminarskaya, Russia Donors Forum

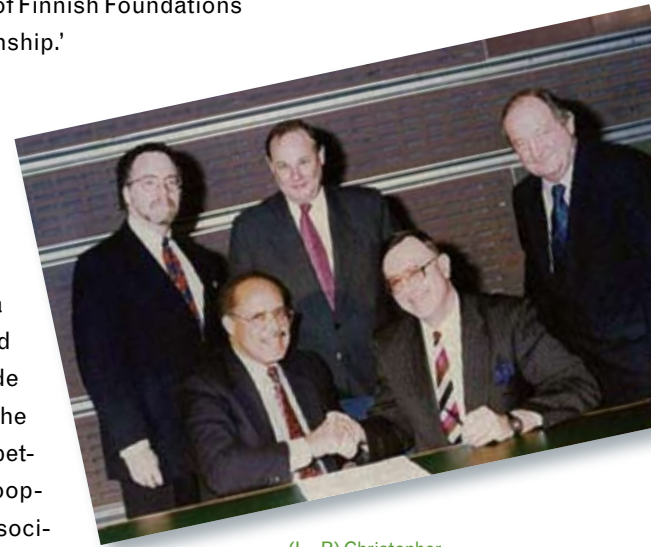
In the future, it seems DAFNE's role will only continue to grow. The EFC has some 230+ member foundations, but the relationship with DAFNE brings more than 5,000 European foundations into the picture. This is the weight that will allow the sector to be taken seriously, and which may encourage greater consultation of foundations by European institutions. Hosting the DAFNE secretariat at the EFC will allow continued collaboration and joint

action, which Natalya Kaminarskaya of the Russia Donors Forum comments on: 'We can't live without each other, we need the EFC like a roof and as a significant player on the European level. But the EFC also needs DAFNE, because we have our own resources and links on national levels and can influence decision-making and provide up-to-date information about our countries.' Paavo Hohti of the Council of Finnish Foundations agrees: 'Both parties profit much from this relationship.'

Donors' associations outside Europe

In the early 1990s, the EFC also began establishing relations with donors' associations outside Europe, first in the USA and then elsewhere, especially Latin America and Asia. Gradually the Centre brought onboard European-based members with activities outside the continent, as well as members elsewhere in the world (particularly the USA). The EFC saw it could better serve its increasingly global membership by cooperating with established and emerging donors' associations worldwide. In 1994, the EFC signed its first cooperation agreement with a non-European national association, the Council on Foundations, which served as a template for subsequent agreements. The EFC later signed similar agreements with five national associations in Latin America, as well as with the Asia Pacific Philanthropy Consortium and the Regional Associations of Grantmakers in the USA, and national associations in Japan, Australia and South Africa.

With the Council on Foundations, cooperation exceeded basic information sharing, given that relations between European and US foundations



(L – R) Christopher Harris, formerly of the Ford Foundation, James Joseph, formerly of the Council on Foundations, Barry Gaberman, formerly of the Ford Foundation, John Richardson and Michael Brophy sign EFC / Council on Foundations Cooperation Agreement at the 1994 London AGA

were quite close, and the two organisations had several common members. The EFC and the Council carried out two joint projects: the development and publication of the ground-breaking *Disaster Grantmaking: A Practical Guide for Foundations and Corporations* and *Principles of Accountability for International Philanthropy* (see Chapter 8). The collaborations – involving the two organisations' International Committees – went extremely smoothly, and have paved the way for future joint initiatives.

Going global

Relations with national associations from around the globe have also allowed the EFC to play an important role outside Europe. The EFC has a long history of working with organisations and networks outside the EU, and understands that philanthropy is not confined within geographic borders. Over the past two decades, growing emphasis has been placed on reframing issues in a global context. In 2007 the theme of the Madrid AGA was 'The New Challenges

(L – R) John Healy of the Centre for Nonprofit Management at Trinity College Dublin, Marta Rey García of University of Coruña and Stephen Pittam of the Joseph Rowntree Charitable Trust discuss global challenges at the 2007 Madrid AGA





Participants at the Global Philanthropy Leadership Initiative meeting (May 2009)

for Global Philanthropy', and the event was attended by over 600 delegates from 54 countries. At the time, this was the best-attended EFC conference, which revealed the appeal of this topic for so many EFC members and partners. That AGA also illustrated the developing consensus that European foundations should deploy more resources outside Europe, and should accept greater responsibility for challenges outside of their own backyards.

Experience shows the need to boost EFC work on global and development issues, such as health, climate change, poverty, and other broad issues on which members work. Positioning the Centre's work in a global perspective will be important, notes Wilhelm Krull of the VolkswagenStiftung: 'There are huge issues at stake such as global health and climate change, which require much more of a joint or collaborative effort in order to make an impact on certain global developments. For the EFC, it's important to facilitate this process and to open up its agendas even more to these international issues.' Flemming Borreskov of Realdania adds that foundations are particularly well-suited to take on such over-arching challenges because of their ability to think long-term: 'While companies are restricted to set reporting schedules

While companies are restricted to set reporting schedules and governments seek re-election every three, four or five years, foundations have the genuine possibility to think beyond such constraints.
Flemming Borreskov, Realdania

and governments seek re-election every three, four or five years, foundations have the genuine possibility to think beyond such constraints.' Strengthening efforts in this area will require the EFC to increase dialogue and collaboration with the EU on development cooperation, and with multilateral bodies such as UN agencies and the World Bank.

To further consolidate, it would also be ideal if the EFC developed a means to explore with members substantive opportunities for collaboration. In line with this thinking, in 2009 the EFC launched a new effort in cooperation with the Council on Foundations and the Worldwide Initiatives for Grantmaker Support (WINGS), aimed at strengthening global philanthropy and philanthropic leadership to address global issues more effectively. While the group (which includes participants from all continents) has only met once so far, it has the potential to significantly strengthen the impact of foundations' responses to the critical challenges which global philanthropy faces.

Barry Gaberman provides keynote speech on global challenges at the 2007 Madrid AGA



Facilitating dialogue with multilateral organisations

From the early 1990s, the EFC recognised the need to extend its representation and monitoring role to international multilateral organisations, such as the UN, UNESCO, the World Bank and the European Bank for Reconstruction and Development, and therefore began actively

cultivating relations with them. At the time, many EFC members were already operating on an intercontinental level and many of the areas these multilaterals dealt with were also areas in which EFC members were active. The EFC therefore rightly felt that dialogue, cooperation and partnership between multilaterals and foundations were important.

The 1999 establishment of the EFC International Committee gave a strong boost to contacts and dialogue with multilaterals, which could be handled more systematically. The Committee was tasked with monitoring and

The 1999 establishment of the EFC International Committee gave a strong boost to contacts and dialogue with multilaterals, which could be handled more systematically.

advising on developments in the wider Europe, and elsewhere in the world, and working with multilateral institutions. These institutions showed increased interest in learning about foundations and exploring partnership opportunities to make the best use of knowledge,

expertise and resources. One could suggest that it was mutual curiosity that drove the two sides to interact and cooperate more frequently.

World Bank

An important step was taken in 2002 when members of the EFC Governing Council and International Committee met World Bank officials in Brussels in connection with a new Bank initiative exploring the community foundation model for achieving the Bank's objectives in local social and economic community development. Following the launch of the World Bank Community Foundation Initiative, the EFC acted as a resource to the Initiative, as it further developed its activities.

The International Committee and World Bank also launched discussions on the joint organisation of country-focused, action-oriented meetings with the Bank directors, international grantmakers, local funders and organisations with which the EFC had signed cooperation agreements. The idea was to bring dialogue closer to the grassroots. These discussions produced the first Foundations-World Bank Country Dialogue in Thailand in 2004 involving foundations, the Thai Government and the Bank.

These Country Dialogues played a vital role locally in generating enthusiasm for closer cooperation and mobilising philanthropic organisations on development-related issues.

It was followed in 2005 with a Country Dialogue in Brazil as the centrepiece of a broader EFC mission there. The Brazil Dialogue increased foundations' visibility with the Brazilian Government and the Bank, and these Country Dialogues played a vital role locally in generating enthusiasm for closer cooperation and mobilising philanthropic organisations on development-related issues.

The Centre also began discussions with the World Bank about a new Bank initiative on the Roma people, the Roma Education Fund, which aims to help young Roma become better integrated into national education and hence reduce their marginalisation. The initiative was set up within the framework of the Decade of Roma Inclusion from 2005 to 2015. The idea of involving foundations in the Roma Education Fund was first incubated

in the EFC Minorities and Multiculturalism Interest Group, which took the lead in holding the discussions and exploring opportunities for synergy and collaboration. Several EFC members agreed to support the Fund, which began operating in 2005.

Minorities and
Multiculturalism Interest
Group meeting (Budapest,
June 1998)



United Nations

Collaboration and partnership with the world's most important multilateral organisation, the UN, began in earnest in 2001, focusing on its Millennium Development Goals (MDGs) and the fight against HIV/AIDS. Key UN officials participated and spoke at the 2001 Stockholm AGA, which led to a stronger partnership, with the EFC and its members taking part in a series of meetings and roundtables with UN representatives in 2002. The key message conveyed was that European foundations are supportive of UN causes and the work done up to that point to facilitate collaboration, but that better communication and coordination were needed.

Partly as a result of these closer contacts and cooperation with the UN, the 2003 Lisbon AGA was dedicated to the theme of globalisation, with the MDGs high on the agenda. At this particular AGA, foundations stepped up their global engagement with the adoption by the EFC International Committee of a statement outlining its full support for the spirit of the MDGs. Moreover, the keynote speech at the opening plenary was given by a senior official of the United Nations Development Programme. The MDGs further inspired the EFC to launch its Europe in the World project at the AGA, to spur European donors to increase their international engagement, especially on development issues. This initiative mobilised greater collaboration and resources for global development among foundations and in partnership with various other types of organisation. A major objective of Europe in the World was to persuade more foundations to increase their spending on initiatives outside Europe by 1 per cent each year for the following five years. Some 90 foundations signed up to the project in its pilot phase.

EFC representatives visit to
United Nations (New York,
December 2004)



A major objective of Europe in the World was to persuade more foundations to increase their spending on initiatives outside Europe by 1 per cent each year for the following five years. Some 90 foundations signed up to the project in its pilot phase.

Deputy Secretary General addressed delegates, welcoming European foundations' drive to reach out to regions beyond Europe and highlighting the ways in which European independent funders were already contributing to the MDGs. At the end of 2004, a delegation of EFC members met with top UN officials to further explore how foundations could help achieve the MDGs.

Collaboration with the UN continued after Lisbon, with the fight against HIV/AIDS becoming a particularly important area of partnership. The UN agency responsible for this issue, UNAIDS, gave a grant to the EFC supporting the first-ever mapping of European private funding for HIV/AIDS. At the 2004 Athens AGA, the UN

(L – R) John Richardson, Dimitris Vlastos of the Bodossaki Foundation and Amir Dossal of the UN at the 2004 Athens AGA



Building civil society and philanthropic infrastructure

The EFC not only built relationships with existing organisations and networks; it also in some cases helped to build the organisations and networks themselves as important pieces of civil society and philanthropic infrastructure.

Global networks

The New Europe programme, the EFC's first, brought together foundations, corporate funders and associations to boost the European non-profit sector. As a follow-up, a new network was launched in 1992: CIVICUS, the World Alliance for Citizen Participation (a membership organisation bringing together a wide range of civil society organisations worldwide). Several EFC members were instrumental in the network's launch and governance, and in 1998 in creating its European branch, EuroCIVICUS (later CIVICUS Europe). The EFC also helped coordinate the work of CIVICUS in Europe and was regularly represented at global CIVICUS meetings. The relationship between the two organisations was mutually reinforcing as reflected in joint activities and meetings.

The EFC also played a leading role in establishing WINGS, a global network of over 140 membership associations and support organisations serving grantmakers, which seeks to strengthen philanthropy worldwide. At the first International Meeting of Associations of Grantmakers in 1998 in Oaxaca, Mexico, participants recognised the importance of creating opportunities for organisations supporting grantmakers to share their experiences and expertise in diverse environments. Later that year, some community foundation support organisations met in Miami to develop an action plan to promote community philanthropy and develop a global community foundation support network. Over the next couple of years,



the International Meeting of Associations of Grantmakers developed into WINGS and the community foundation support network evolved into WINGS-CF, with the EFC participating in both processes. In 2003 both networks were merged under the WINGS Secretariat, which was hosted by the EFC in Brussels until 2007.

First International
Meeting of Associations
of Grantmakers (Oaxaca,
Mexico, 1998)



Community philanthropy organisations

As part of its mission to promote European philanthropy, the EFC turned to community philanthropy and set up the Community Philanthropy Initiative (CPI) in 1996. This was a response to increasing requests for European-level assistance from community philanthropy organisations, national support centres and funders.

CPI aimed to promote the development of community philanthropy organisations globally and particularly sought to strengthen existing community philanthropy organisations and help set up new ones. It also worked to build the capacity of emerging and established national community philanthropy support organisations and networks. CPI was central to creating a European platform for emerging and established community philanthropy and support organisations, and made a major contribution to developing a European community philanthropy knowledge base. When CPI began there were few community foundations in Europe outside the UK. By the time it ended, there were hundreds of them, and many new support organisations and associations of community foundations had emerged which carried out much of CPI's development work.

In 2006, CPI was assessed by an external consultant. Its recommendations prompted the EFC to phase out CPI as a project and merge community philanthropy into its core work. This was quite a shift, as in the early years it was not clear whether community philanthropy was appropriate for a membership organisation whose priority should be its members, as few community foundations are able to join the EFC given their small size and financial scale. But the review noted that with the change in EFC leadership in 2005 and the new mission to make the organisation the voice of European philanthropy, community philanthropy had to be integral to the EFC's work.



In 2006, as CPI was phased out and its agenda merged into the EFC's core activities, another community foundation initiative found a home at the EFC: the Global Fund for Community Foundations. A joint initiative of the World Bank, Ford Foundation, Charles Stewart Mott Foundation and WINGS, it aims to strengthen and promote institutions of local philanthropy around the world, especially in developing countries. The Global Fund for Community Foundations gives small grants to strengthen community foundations' capacity. In 2009, when its three-year incubation phase concluded, the Fund became independent and in early 2010 left the EFC.

EFC as a hub

There has recently been a growing inclination towards cooperation, which is evident at AGAs and at meetings of the Centre's inter-

est groups and fora. Also illustrating this trend is the idea of establishing a Brussels-based Foundation House, which would be home to the EFC, other philanthropic support organisations and NGOs. In 2009 a feasibility study on the subject was launched, which was strongly supported by the EFC Governing Council, and will be implemented in the coming years.

One organisation which wishes to be part of the Foundation House, and which has a long history of cooperation with the EFC, is the Network of European Foundations for Innovative Cooperation (NEF). Even the history of the two organisations is linked, as Luc Tayart de Borms of the King Baudouin Foundation explains: 'NEF's history is even more complex because it existed before the EFC . . . in a way the EFC was created out of NEF, because it was created out of AICE, or the European Cooperation Fund, which was a project of the European Cultural Foundation. So we then changed that organisation into NEF.' With a more practical focus than the EFC, NEF is an operational base to develop projects between



foundations and other kinds of organised philanthropy. With the Berlin Blueprint's introduction in 1999, the EFC's attention became more focused on the European institutions, instead of specific projects. Having an existing project-focused organisation gave European funders an alternative space to launch projects. NEF's membership is limited, but the two organisations' members overlap, which can cause confusion to those less familiar with the sector. However, any tension or competition between the two organisations is merely hearsay, and as noted by current EFC Vice-Chair Ingrid Hamm of the Robert Bosch Stiftung: 'In the future we have to continue to build strong alliances and good relationships with other organisations like NEF, which is of practical value for those that take part in it.'

Perhaps this growing inclination towards cooperation, as illustrated by the Foundation House, indicates the sector's natural maturation, or perhaps pooling resources and skills is simply wiser in the wake of the global financial crisis. Over the coming years, the EFC aims to further define itself as a hub for collaborative philanthropic ventures by providing space, services and skills for the development and growth of financing vehicles, and by designing tools, technology and services for collaborative philanthropy to take shape and be more effective. In 2010, the EFC Network Building Committee is undertaking a review which will further define the Centre's role as incubator and will draw a roadmap to develop this role. So long as there are good ideas, the EFC will support their development, design and delivery.

In the future we have to continue to build strong alliances and good relationships with other organisations like NEF, which is of practical value for those that take part in it.

Ingrid Hamm, Robert Bosch Stiftung



Chapter 8

Filling the toolbox: Benchmarking and capacity building

Professional development has gradually become an imperative for European foundations, as a means to increase the capacity for effective action. From the outset the EFC has sought to develop training and capacity-building activities for its members and the foundation community. But the focus of these activities has changed significantly over the years, moving from a somewhat fragmented to a more holistic view of building professionalism across the sector.

Knocking down walls, building up resources

Initially the focus was on strengthening the skills, abilities and resources of those foundations emerging in central and eastern Europe by establishing the Orpheus Civil Society Project (see Chapter 9). Running from 1992 to 2005, the project supported resource centres serving foundations using a wide range of services, including training and seminars, educational programmes and mediation in the non-profit sector. It also helped by buying documents at bulk discount, developing a joint newsletter and organising staff placements and an email network. Serving a network of 34 centres by 2001, the project was instrumental in building the capacity of existing centres, developing professionalism, and strengthening regional level activities.

The knowledge and experience of project participants on civil society in their countries was used extensively by non-profit organisations, governments and international organisations. The project was also a springboard for initiatives beyond its remit, such as the Rapid Aid Fund, which ran from 2001 to 2003, helping the exchange of knowledge and good practice between resource centres throughout central and eastern Europe and the Newly Independent States. The Fund, administered by the Slovak Academic Information Agency – Service Center for the Third Sector, was instrumental in supporting study visits between the centres' representatives in the region.

Fundraising fundamentals

Grant-seekers might not seem to be an appropriate group for a foundations' association to support and train. But in the EFC's early days there was general consensus that building the capacity of grant-seekers could benefit funders. The belief was that helping grant-seekers approach funders more adeptly would cut the number of inappropriate applications to foundations. This lay behind the services the EFC library offered visiting grant-seekers in the mid-1990s. What began as ad hoc support soon evolved into dedicated 'Fundraising Fundamentals' courses on the work and



Early Fundraising Fundamentals course

role of foundations, the grant-seeking process, and effective proposal writing. As demand grew, extra courses were held outside Brussels. But these seminars were eventually stopped in 2003 when it

was felt that resources should instead focus on meeting members' training needs.

Training workshop (Prague, October 1996)



Home improvements

Principles of Good Practice

In 1993, EFC members endorsed the Prague Declaration, which issued a statement of objectives and principles for the foundation sector (see Chapter 5). An important preoccupation of the Declaration was the need for the sector to

demonstrate its commitment to high governance and transparency standards, while underlining the right to self-regulation and control within the rule of law. The Declaration provided the impetus the following year for drafting the EFC's Code of Practice, which expressed a voluntary pledge by foundations to greater openness and accountability in key areas: policy-making and procedures, governance, finance, and annual reporting. Given the sector's diversity, EFC members were encouraged to sign up to the Code in its broadest sense. The Code represented a commit-

ment to self-regulation and responded to concerns about an EU proposal to introduce a statutory EU code of conduct for foundations (see Chapter 6).

According to Rien van Gendt of the Van Leer Group Foundation, who later chaired a work-

ing group to revise the Code, its drafting was 'a result of wanting to be in the driver's seat and not be taken by surprise by governments that want to regulate.' While it was important to encourage observance of the Code, EFC members also stressed the need to constantly educate foundations on matters arising from the Code, especially concerning foundations' grant-making and operational practices. With this in mind, the EFC gradually introduced sessions at AGAs which explored practical topics ranging from evaluation and benchmarking, transparency and accountability, to governance and investment strategies.

The Code of Practice was a result of wanting to be in the driver's seat and not be taken by surprise by governments that want to regulate.

Rien van Gendt, Van Leer Group Foundation





(L–R) Rien van Gendt and John Richardson at the 2002 Brussels AGA

Although subject to continuous review, EFC members have only twice revised the Code, first in 1996 placing greater emphasis on sharing good practice and increasing openness and transparency. In 2006, changes to European foundations' working environment urgently required a greater overhaul of the Code. The changes included growing global terrorism, greater liberalisation of Europe's legal and fiscal regimes, national governments' expectations of a quid pro quo, growing awareness by EU institutions

“For foundations to be effective, they not only need to have financial resources and good human resources, they must also demonstrate their trustworthiness towards governments, other independent bodies, and above all civil society.”

Rien van Gendt, Van Leer Group Foundation

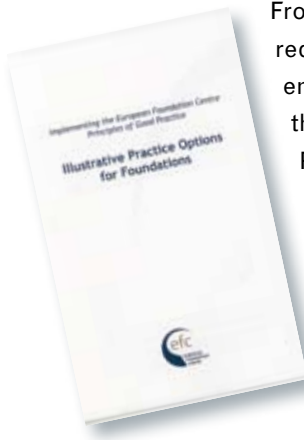
of private money for public good, and changes in the sector. Following a two-year review and consultation of EFC members and other stakeholders led by the EFC Code of Practice Working Group, seven Principles of Good Practice were produced, emphasising best practice in: compliance, governance, informed policies, stewardship, disclosure and communication, monitoring and evaluation, and cooperation. Van Gendt believes the establishment of these principles was proof of the EFC's role in bringing about institutional improvements: 'This aspect of the Centre's work is very important because for foundations to be effective, they not only need to have financial resources and good human resources, they must also demonstrate their trustworthiness towards governments, other independent bodies, and above all civil society.'

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Illustrative Practice Options

To help implement the Principles, the working group drafted Illustrative Practice Options, drawing on examples from national donors' associations in Europe and elsewhere. Implementing the Principles was a central concern of the working group, van Gendt explains: 'It was very important that the EFC did not simply say thank you to the working group and then put the new document on the shelf . . . Instead, it was vital that the EFC took a more proactive approach to the Principles, actively encouraging EFC members to take them to heart and also setting a level of aspiration for the European foundation community.' To help members do so, the EFC took several decisions, including aligning the content of its capacity building Philanthropy Institute Programme (PIP) with the seven Principles. This not only allowed debate and encouraged voluntary compliance with the Principles, it also gave EFC members a chance to learn from each other.



From 1994, foundations applying for membership to the Centre were required on their application form to agree to the Principles and endeavour to apply them to their work. Roundtable discussions like that held in March 2009 continue to reinforce the importance of the Principles of Good Practice and Illustrative Practice Options to EFC members. Transparency in the sector also remains a key EU priority, touched on in the Swedish EU presidency's draft October 2009 proposal (see Chapter 6).

Principles of Accountability for International Philanthropy

As the number of foundations working internationally grew in the new millennium, foundations on both sides of the Atlantic faced new and complex operational challenges. These included language differ-

ences, communication across vast distances, unfamiliar cultural values, multiple legal systems, and disparate accounting practices.

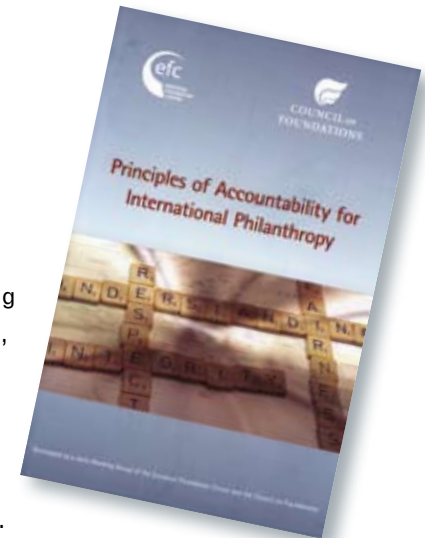
A complex backdrop of international politics, geo-power dynamics and government rules also meant foundations had to operate with a greater degree of uncertainty.

Given these new conditions, in 2005 the EFC and the US Council on Foundations joined forces to develop principles of accountability with a specifically international scope. For the next two years, a joint working group consulted with foundations, grantees and partners, leading to the publica-

tion of *Principles of Accountability for International Philanthropy* to guide donors in the field. The document encompasses seven Principles based on values that foundations should embrace. They cover integrity, understanding, respect, responsiveness, fairness, cooperation and collabora-

tion plus effectiveness. The Principles of Accountability 'are not about the regulations surrounding our grant-making... but are about our grant-making itself and how we do it,' says Connie Higginson, former Vice President of American Express Foundation, a member of the group that drafted the document. 'They are about the ethical and the moral dimensions. They are about what should be the natural good manners of grant-making.' For van Gendt, who chaired the joint working group, the stakeholder consultations which preceded drafting of the Principles were themselves a lesson for the grantmakers involved: 'It taught me that even enlightened grantmakers

As the number of foundations working internationally grew in the new millennium, foundations on both sides of the Atlantic faced new and complex operational challenges.



EFC/Council on Foundations joint meeting to develop *Principles of Accountability for International Philanthropy* (Cape Town, 2006)

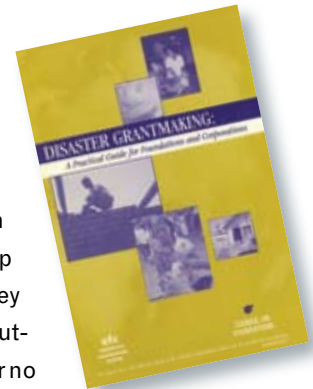


completely underestimate the social complexities involved in grant-making. Foundations generally think of providing support for three to five years and then moving on to something else, but the grantees were speaking out during these consultations saying how insufficiently we were looking into the intricacies on the ground. So this exercise was a great learning experience for us.'

Disaster Grantmaking: A Practical Guide for Foundations and Corporations

In addition to drafting standards of conduct for foundations, the EFC has also provided guidelines in several thematic areas of work. For instance, in 2001 the EFC, with the Council on Foundations, saw an opportunity to help

the growing number of foundations active in disaster response. They observed that because decisions on disaster funding often fall outside their regular programme areas, foundations had very limited or no in-house expertise on the complexities of disasters. Moreover, disaster grant decisions were often subject to emotional appeals and made under time pressure. The EFC and the Council produced a practical handbook, *Disaster Grantmaking: A Practical Guide for Foundations and Corporations*, providing eight principles for good disaster management plus several practical tips reinforcing good grant-making. 'This was really a helpful tool for foundations on how to respond to emergency situations, providing tips such as you should not just follow your gut and come in with your compassion. When the public attention is shifting, you should come in with a long-term approach on how to avoid the next disaster. So you see that the EFC has also been the co-initiator of useful resources for improving the way we operate,' says van Gendt.



PIP, PIP, hooray!

Although EFC members had the opportunity of meeting and sharing experiences through the Centre's interest groups and AGAs, by the end of the millennium there was growing interest in a more extended calendar of events and accompanying resources, exclusively for strengthening the sector's capacity and professionalism. Impetus for this came in 1999, when the EFC held its first stand-alone professional development event: a workshop on programme development, monitoring and evaluation. Over 30 foundation representatives took part, demonstrating a clear demand for such practical learning opportunities. Over the next three years, the EFC ran four further workshops, targeting foundation management staff. The attendees praised the events' usefulness in helping foundations share practices, get advice and establish mentoring relationships.

However successful the events, limited resources meant they had to be ad hoc. To build on their accomplishments, in October 2003, guided by the Resource Development Committee (see Chapter 6), the EFC received funding to launch a three-year pilot Philanthropy Institute Programme – Professionalism in Philanthropy. Through academies, symposia and roundtables, the programme (which quickly became known simply as PIP) aimed to build foundations' grant-making and operational capacities, and strengthen their investment know-how and communications potential.

The attendees praised the events' usefulness in helping foundations share practices, get advice and establish mentoring relationships.

While the academies sought larger audiences, the symposia and especially the roundtables were designed for smaller groups. Two distinct categories of attendee were targeted: those who wished to explore new ideas, and those looking for more practical solutions to old problems. The programme relied on input from experts and participants' willingness to share achievements and failures with their peers. With the



(L – R) Pier Mario Vello of Fondazione Cariplo and Brad Smith of the Foundation Center at the 2008 PIP Chief Executive Symposium in Milan



summer academies, academic institutions were brought on board from the outset to help design programmes. As with previous events, EFC members stepped up to the mark, offering venues.

In PIP's first year the EFC held two major events: a symposium on the role of chief executives and a summer academy, bringing together some 70 foundation representatives. Feedback was positive. In 2004 the programme expanded to six events bringing together a total of 156 participants. Over the following two years, however, the number of events fell to five and four respectively to reflect the Centre's own capacity. During this time, the programme highlighted a wide range of topics on practical and strategic aspects of foundation management and governance.

The Strategic Plan saw the inclusion of capacity-building and professionalism services as a key objective for the Centre.

Evaluating the PIP events over the programme's three years, participants felt the programme had helped them meet a need for peer learning for foundation staff at all levels. Despite this interest, by 2007 the EFC found it increasingly difficult to obtain the resources to design a multi-annual programme of capacity-building events. But that year, EFC members recognised the need to better underpin this aspect of the Centre's work through the adoption of a new Strategic Plan (see Chapter 5). The plan saw the inclusion of capacity-building and professionalism services as a key objective for the Centre. To meet this, a member-led Capacity Building Committee was set up to oversee this objective's development.

Above left: 2004 PIP Summer Academy participants in Amsterdam

Above right: 2005 PIP Summer Academy in Sigtuna

International Fellowship Programme

Apart from running its own professionalism programme, in 2006 the EFC also became the new home of the International Fellowship Programme for Learning and Exchange in Philanthropy, formerly run by the Robert Bosch Stiftung. The decision to relocate the programme testified to the Centre's pan-European outreach and ability to facilitate professionalism in the sector. Still running today, the programme holds 3–12 week placements for 10–15 foundation and NGO staff at each other's organisations. The aim of this

exchange is to increase the capacity for leadership in the European civil society sector, disseminate knowledge, and promote international cooperation among key stakeholders. Initially focusing only on staff from central and eastern Europe, with the move to Brussels the programme has since been extended to include all European countries, and aims to increase intercultural participation and partnerships between large and small third sector organisations across the continent. The programme's range of topics cover

all sorts of operational and strategic matters like advocacy, research and endowment management, community outreach and fund-raising, to name but a few.



Year	PIP event	Topic	Location
2003	Chief Executive Symposium		Rome, Italy
	Summer Academy		Bologna, Italy
2004	Roundtable	Annual Reporting	Brussels, Belgium
	Roundtable	Grant Guidelines	Brussels, Belgium
	Roundtable	Knowledge Management	Brussels, Belgium
	Roundtable	Evaluation Practices and Case Studies	Paris, France
	Chief Executive Symposium	Strategic Communication	Siena, Italy
	Summer Academy	Foundation Management and Governance	Amsterdam, The Netherlands
2005	Roundtable	Small Grantmaking	Brussels, Belgium
	Chief Executive Symposium	International Grantmaking	Hamburg, Germany
	Roundtable	Media Relations	Brussels, Belgium
	Summer Academy	Strategies for Effective Philanthropy	Sigtuna, Sweden
	Roundtable	Venture Philanthropy	Brussels, Belgium
2006	Roundtable	Gender and Philanthropy	Brussels, Belgium
	Roundtable	Social Investment	Brussels, Belgium
	Chief Executive Symposium	Partnerships for Social Change	Dublin, Ireland
	Summer Academy	Managing Change in Foundations	Vigo, Spain
2007	Chief Executive Symposium	Strategic Communications	Copenhagen, Denmark
	Summer Academy	Impact-Driven Philanthropy	Heidelberg, Germany
2008	Chief Executive Symposium	The Chief Executive and the Foundation Board – Strategies for Success	Milan, Italy

Strategic re-think

This is one of the few sectors that has hardly any infrastructure for upgrading the professional nature of our work. There are, here and there, research and training activities – it's highly needed and I think that there is really a role for the EFC to play here.

Rien van Gendt, Van Leer Group Foundation

Concerned at the ad hoc way in which the EFC approached its capacity-building initiatives, in 2008 the Capacity Building Committee reviewed the direction of EFC capacity-building. By consulting EFC members, the review sought ways to better understand needs, current provisions, developments and trends, to determine a Europe-wide 'niche' for the EFC – complementary to capacity-building activities undertaken at national

level – and to define the Centre's next steps. The EFC's members and partners responded in force, with over 100 organisations joining the review. The result was a report called *Building Talent and Excellence within Foundations* by David Carrington. Although members appreciated earlier capacity-building initiatives, they were seen as limited in scale and coverage, and insufficiently sustained. Encouragingly, those consulted also strongly agreed that the EFC had a unique role to play in developing capacity-building initiatives at European level and championing the importance of such training for foundation practitioners. They also welcomed the establishment of the Capacity Building Committee. van Gendt says: 'This is one of the few sectors that has hardly any infrastructure for upgrading the professional nature of our work. There are, here and there, research and training activities – it's highly needed and I think that there is really a role for the EFC to play here.'

The consultations also indicated what services the EFC should concentrate on developing over the next five to ten years, helping it formulate an action plan sufficiently flexible to respond to the evolving needs of members and the sector. The action plan outlines several key areas such as signposting best practices, through development of web-based tools

and communications channels like *Effect* magazine. Complementary to this work, another deliverable is organising recurring peer-to-peer learning and knowledge sharing seminars and learning events, as part of a long-term and sustained programme, and the development of its own training resource products and kits. A determining factor for success, the action plan notes, will be the EFC's close partnerships with national and European institutions, including specialist university-based centres and networks—especially DAFNE.

Changing the guard

Training and professionalising Europe's philanthropic sector will become increasingly relevant as a new wave of philanthropists and donor groups become more active. The action plan therefore makes provisions for a 'changing of the guard' in European philanthropy, as younger leaders emerge. What was already a trend in the USA during the 1990s, and which led to the establishment of organisations such as the New York-based Emerging Practitioners in Philanthropy, now also seems to be taking hold across Europe, as growing numbers of young, professional foundation leaders and board members are beginning to make their mark. 'We have to have a programme whereby those who would like to learn in a very practical way from really long-standing, traditional or very operative foundations can do so,' believes Ingrid Hamm of the Robert Bosch Stiftung. Recognising this, the EFC must find new ways to reach out to this constituency, particularly through capacity building, to ensure that such talent is nurtured and knowledge and skills effectively passed to the next generation of grantmakers.

We have to have a programme whereby those who would like to learn in a very practical way from really long-standing, traditional or very operative foundations can do so.

Ingrid Hamm, Robert Bosch Stiftung



Chapter 9

Amplifying the voice of European philanthropy: Information and communications

The early 1990s was an exciting time in Europe: the Single Market was coming into being, and central and eastern Europe was emerging from decades of communist rule. Lost in all the excitement was the work of foundations in Europe. It did not help that there was little information about the sector. By the time the EFC appeared in 1989, its US counterparts – the Council on Foundations and the Foundation Center – had been around for decades. ‘When I arrived in 1991, the EFC was very much a start-up, so you were building the plane as you flew it, which is exhilarating . . . and scary!’ recalls Elan Garonzik, who is now with ELMA Philanthropies but was seconded by the Foundation Center to implement EFC founding Chief Executive John Richardson’s far-reaching vision of the Orpheus

When I arrived in 1991, the EFC was very much a start-up, so you were building the plane as you flew it, which is exhilarating . . . and scary!

Elan Garonzik, ELMA Philanthropies

programme. This was the EFC's answer to the information black hole which enveloped the European foundation sector.

Garonzik is credited with almost single-handedly building up the Orpheus programme from scratch after its launch in 1992. Testifying to the programme's popularity in its first few years, Orpheus grew tremendously. Miles Heggadon, who worked on Orpheus from 1994 to 2000, had started at the EFC as a trainee. He notes that 'the difference between 1991 and 1994 was incredible. When I left there were only six people at the EFC and Orpheus didn't exist yet, but by the time I came back the building was full and Orpheus was up and running.'

Left: Elan Garonzik presents fruits of the Orpheus network, Environmental Funding in Europe (1998)

Right: John Richardson speaking at Orpheus event (1995)



Building an information base

So what was Orpheus? How did it achieve its goals? Orpheus was quite a complex programme with various elements. It sought, first of all, to create a database with reliable information on EFC members and other grantmakers, thus producing the first comprehensive snapshot of philanthropy in Europe. As Denise Hizette, a long-time Orpheus player, notes: 'When Orpheus was created, few in Europe knew what a foundation was, so this is what Orpheus set out to change.' But more than that it helped foundations learn from each other across borders and helped grant-seekers to identify potential funders. 'The Orpheus programme was the first to bring all the national-level funding information together and make it Europe-wide from Ireland to the Urals,' says Garonzik. 'Nobody had really done that before.'

This European mission of Orpheus is also stressed by Heggadon: 'I think it was all just to do with being able to give a European dimension to things, letting people from one country see what those in other countries were doing.' Orpheus helped share ideas and best practice on a pan-European scale, and enabled foundations to identify who was doing what so they could find partners. Eric Kemp, former EFC Deputy Director, believes Orpheus had an even greater role: 'It was a European project, it had European ambition, it had European vision, it helped build the New Europe. In this sense it was ten years ahead of what the politicians were doing, it tested new models, new ideas, it experimented.'

Orpheus was a European project, it had European ambition, it had European vision, it helped build the New Europe.

Eric Kemp, former EFC Deputy Director

The value of a decentralised network

How did Orpheus gather all this national funding information? One thing was for sure: it couldn't do the job all by itself. So it turned to the best available sources: national information

centres, which knew their foundation and civil society sectors better than anyone. Before Orpheus's launch, the EFC had begun creating a network of centres across Europe. These were largely national donors' associations, but foundations and NGO resource centres also played a part. The Orpheus programme was essentially a decentralised network which built on the strength of networking centres throughout Europe. According to Hizette: 'The most important thing about Orpheus was the decentralised aspect. The national centres were the great strength of Orpheus.'

Elan Garonzik builds EFC library (early 1990s)



The most important thing about Orpheus was the decentralised aspect. The national centres were the great strength of Orpheus.

Denise Hizette, former Orpheus team member



This network was vital because it allowed Orpheus to collect accurate and up-to-date information on national funders and funding activities. It was a mutually beneficial relationship, as Garonzik stresses: ‘We would get information from the national networking centres and we would share with them the combined information that we put together at the European level, as well as additional intelligence that we gathered in Brussels.’ An important aspect of this relationship was the development of common tools and standards for classification, typology and parameters. To obtain comparable data from different countries, it was essential to reach consensus on the sorts of organisations and activities to consider and how to classify them: a daunting task given the wide variety of foundations active in Europe.

Public record and information service

From the outset the public record and public information service were the twin pillars of the Orpheus programme. ‘Public record’ referred to the documentation of European foundations’

activities, and the development of a database on European funding. The goal was to provide a reliable record of the work of foundations and corporate funders active in Europe – and thus also to create greater transparency. The public information service included the EFC’s growing library, the information request service, the Funders Online and general EFC websites, and participation in the Social Economy Information Service and its

ARIES network (which provides information on social economy institutions and EU funding). The service also included compiling geographic dossiers with national information, a task mainly handled by networking centres, and European-level information, as well as thematic dossiers on activities in areas like culture, environment and education. These mapping exercises provided details of the key players in a given field, their projects and programmes, and the level of funding provided.

Orpheus was just the right thing at the right time to put the EFC on the map and to fill a very explicit need and to do so in a way that was accessible and transparent. It lifted a great veil of secrecy.

Elan Garonzik, ELMA Philanthropies

These foci eventually led to publication of directories, the first of which dealt with central and eastern Europe. 'The directory was a breakthrough publication because it showed what's possible, where we could go,' says Kemp. The directory was a reflection of the huge interest among funders working in central and eastern

Europe, and the first substantive evidence of the Orpheus programme's efforts to document funding. 'It was just the right thing at the right time to put the EFC on the map and to fill a very explicit need and to do so in a way that was accessible and transparent. It lifted a great veil of secrecy,' says Garonzik. This pioneering publication was the first of many directories that appeared over Orpheus's lifespan (see table opposite).

Compiling the directories was just as important as the finished product. 'Having these different directories was to a certain extent actually a means to build up our database, so if you concentrated on each of the different areas – culture, environment, education, etc – to do a book, then at the end of it you're left with a database that's across all subjects,' says Heggadon.

Another important spin-off was that in putting together thematic directories, the Orpheus team had to identify a group of funders interested in a given area. Sometimes, it worked in reverse: a group of funders proposed



a directory to the EFC. This group then funded the preparation of an area-specific directory, which often resulted in an EFC interest group in that field. Such was the case with the Education Interest Group in the late 1990s. It emerged out of the Education Project, backed by the European Commission and certain funders interested in education. The project led to the Education Funding in Europe directory, and because the funders met regularly to discuss the project and its results, they got interested in further cooperation and formed the interest group.

However, producing a directory is time-consuming. From 2003, the Orpheus programme began smaller-scale mappings, in response to requests from funders interested in funding an activity in a certain field. They provided a sampling of the main funders in a given field and the projects they funded. The same methods were used as in preparation of the directories, and they also helped expand the Orpheus database. Non-directory mappings have covered areas such as health funding in Africa, HIV/AIDS, rural development, social investment, migrant integration, ageing, religion and gender issues.



Orpheus Thematic Directories

1993	International Guide to Funders Interested in Central and Eastern Europe
1997	Environmental Funding
1997	Cultural Funding in Europe
1998	Mediterranean Funding
1998	Educational Funding Volume 1
1998	Educational Funding Volume 2
2000	Funding Minorities and Multiculturalism in Europe: Funders' Activities Against Racism and for Equality in Diversity
2000	Youth Funding in Europe
2002	Funding Vocational Training and Employment for People with Disabilities in Europe

The power of knowledge

Adding further impetus to early EFC data collection efforts, in 1993 a group of Members of the European Parliament (MEPs) drafted a resolution on foundations in Europe which contained proposals that directly threatened the sector (see Chapter 6). The MEPs questioned European philanthropy's legitimacy. The initiative 'shook foundations to the bone', in Kemp's words. Why did the MEPs launch such an initiative? 'It was very clear that the parliamentarians did not really know the European foundation community,' says Garonzik. Kemp agrees: 'The problem was that foundations could not defend their case simply because they did not have enough documentation to prove the contributions they were making to improve their societies, so they could not defend their wealth and privileges – and that's why they desperately needed a way to document their achievements.'

The 1993 resolution encouraged the EFC to redouble its data collection, as this vital evidence underpinned the EFC's efforts to protect and promote the interests of European foundations at political level. This required raising foundations' public profile and enlightening policy-makers and legislators, at national and European level. Closely related to this was the need to increase the sector's transparency, thus allaying public suspicions. The 1993 initiative drove this message home.

For this reason, Garonzik emphasises that Orpheus was far more than a database – it was an advocacy tool for philanthropy in Europe. He maintains that European-level advocacy by the EFC, coupled with that by key EFC members nationally, backed up by documentation on the number of foundations, how much they gave, and what for, helped stymie the MEPs' attempt to introduce a potentially damaging law.

Another example of Orpheus helping advocacy initiatives was in France in 2003: a wide-ranging legal reform led to new laws on private giving which gave France one of the world's most liberal legal and fiscal environments for philanthropy. 'That's because of Orpheus – it was Orpheus that supplied the statistics,' says Richardson. Today, awareness about foundations and recognition of their role remains a matter of concern. Maria Chertok of Charities Aid Foundation Russia believes that making foundations visible to the public remains a top priority: 'Building this awareness about the role of foundations, about how much they contribute, I think is very important. It's a communication issue; it's an issue of having interesting and relevant data which can be used in this communication.'

Orpheus and Eurydice

Why was the EFC's documentation and communication programme called Orpheus? Was the programme like the figure from Greek mythology whose beautiful lyre-playing and singing could charm birds, fish and wild animals and even get trees and rocks dancing? Well, with a stretch of imagination, perhaps! By lyrically documenting the good work of foundations, maybe parliamentarians

and European Commissioners could be made to dance. But the Orpheus programme, like Orpheus himself, was inspired by Eurydice – not the beloved wife of Orpheus, whom he brought back to life at the cost of his own, but the European Community's Education Information Network that John Richardson headed in the 1980s. Richardson says: 'Orpheus was of course related to Eurydice, so I'd

written the Orpheus programme back in the eighties to be the successor to Eurydice and then because of the urgent need in central and eastern Europe, I didn't implement the Orpheus programme until the EFC's New Europe programme had shown some success. Orpheus was launched ten years after its original writing in fact, and so Orpheus came back to join Eurydice.'

Strengthening and expanding the network

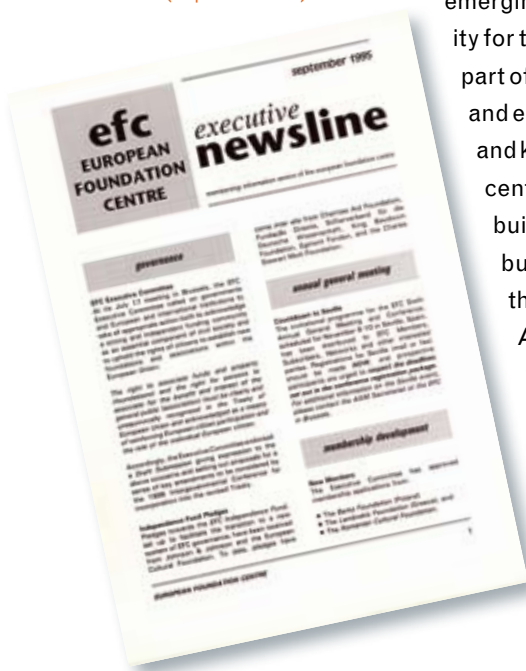
With networking centres, two things soon became clear: the centres, especially those in central and eastern Europe, needed enhanced capacity, and the network of centres in the region

needed to expand. It was also evident that more needed to be done to build relationships between national donors' associations and the EFC.

To strengthen capacity, Orpheus held training workshops for the centres to develop their capacity to collect, classify and disseminate information on the social economy, and to identify and respond to funders' and grant-seekers' information needs. This included open-access library services. But the centres in central and eastern Europe required even more attention. From the outset, building civil society in the newly emerging central and eastern European democracies was a major priority for the EFC. Garonzik notes that 'Orpheus very quickly realised that part of its strength would be working and helping the centres in central and eastern Europe.' There was a tremendous appetite for information and know-how among the region's civil society players, so the network centres were, in Garonzik's words, 'critical at the time for helping to build civil society in the region and needed targeted support to help build their own capacity'. There was a marked difference between the capacities of western and eastern European resource centres. As Garonzik recalls: 'Telephoning someone in Prague in the early 1990s could be problematic – phones may or may not work.'

It might be thought a little odd that an association of grantmakers like the EFC should occupy itself with building civil society; a landscape filled with grant-seeking associations and activists. Kemp disagrees. For foundations, it was vital to promote themselves by pointing out that they were part of an important

Early information services
(September 1995)



sector, civil society. 'So politically the engagement with the Orpheus network made perfect sense,' concludes Kemp. Besides public sources, foundations were an important source of support for a wide range of organisations which constituted the region's civil society. These networking centres played an important role in increasing understanding of foundations' role in supporting civil society.

The Orpheus Civil Society Project expanded the network in central and eastern Europe from just five centres in 1994 to 34 by the decade's close. In terms of capacity building, it lent technical assistance in key areas including management training, funding, information and communication services, and advocacy for legal and fiscal environments. Besides boosting their capacity, being part of an EFC network also gave the centres a stamp of approval which helped attract funding.

The Orpheus Civil Society Project expanded the network in central and eastern Europe from just five centres in 1994 to 34 by the decade's close.

The Orpheus network was reinforced by the Philanthropy Network Project launched in 1996. It promoted effective collaborative philanthropy in Europe, strengthening information services by sharing expertise and developing common standards. Perhaps more importantly it also

built relationships among national donors' associations which were members of the Orpheus network. From 1996 on, it held annual meetings of these associations (usually just before the AGA), and paved the way for partnership agreements between the EFC and individual national associations starting in 2003, leading to the creation three years later of the Donors and Foundations Networks in Europe (DAFNE), a formal structure which entered a strategic alliance with the EFC (see Chapter 7).

Eastern energy

The hunger for information and knowledge among east Europeans in the early 1990s reflected fundamental differences in attitudes, needs and capacities between eastern and western Europe. Kemp observes that while the EFC and Orpheus were launched by visionaries from western Europe and the USA, most of the energy to propel these new ventures came from east Europeans because they were building something new. 'In eastern Europe it was very much go-getting, we want to get things done, we want them done now, what can we do? You could see a huge difference in cultures between eastern and western Europe,' says Heggadon. 'The east Europeans wanted to build a New Europe that was inclusive and response to their needs, and built on achievement and meritocracy,' explains Kemp. In contrast, west European foundations were generally more concerned about preserving the status quo and protecting their wealth, which meant less transparency. So the Prague Declaration and the resulting Code of Practice ended up being applied equally to the old, established western foundations and new ones in the east.

In eastern Europe it was very much go-getting, we want to get things done, we want them done now, what can we do?

Miles Heggadon, Orpheus team member

The high energy of the east Europeans and their drive for change led to Orpheus's early success and the creation of many new networking centres to energise the region's emerging civil society. Kemp recalls: 'This was one of the most vibrant networks I've ever operated in.' As a consequence, western funders were increasingly drawn to the region.

Further evidence of the region's dynamism was the drive for legal and fiscal reform and the creation of new enabling legislative frameworks. After decades of communism, far-reaching change was needed to create a favourable environment for civil society and philanthropy. The region's



Delegate at 2009 Rome
AGA browses publications
display



new legislation influenced legal modernisation in western Europe, whose frameworks governing the non-profit sector were far older. The EFC's Social Economy and Law (SEAL) Project was launched as part of Orpheus to document and help this process by fostering information and knowledge-sharing on legal and fiscal issues. The core of the project was the SEAL Journal, which soon became the leading publication on non-profit law in Europe (see Chapter 2).

Laying the groundwork for today's EFC

The Orpheus programme has given rise to much of the core work of the Centre. 'Orpheus and its various projects contained in embryonic form most of the current activities of the EFC. These projects evolved into many of the different programmatic components of today's EFC,' says Denise Hizette. Examples include:

- ▶ Networking centres that maintained national files on funding, while the EFC built up a dossier on funding with a truly European dimension. This was the start of what became the EFC's EU Affairs department.
- ▶ The European Dossier provided the basis for the EFC's legal and fiscal activities, including pursuit of a European Foundation Statute. Orpheus published the EFC's first legal and fiscal publication, on non-profit law in several central and eastern European countries, and reviewed a draft foundation law in Slovakia. The EFC thereafter dealt more with legal and fiscal environments Europe-wide.
- ▶ The Orpheus network, most of which comprised national donors' associations, gave rise to the EFC's relationship with the various national centres, which later formed the DAFNE network and its strategic alliance with the EFC.
- ▶ Through its Funders Online website, which sought to enhance technical capacities of independent funders and Orpheus centres, coupled with training provided by the EFC Library, Orpheus gave rise to the EFC's capacity-building activities, like the Philanthropy Institute Programme.
- ▶ The Orpheus network in central and eastern Europe spotted new trends. The most significant in the 1990s was perhaps community philanthropy. By 1997 Orpheus had held the region's first community foundation conference, which led to the EFC's Community Philanthropy Initiative, a programme which lasted nearly a decade.
- ▶ The work of Orpheus to develop common standards and parameters was crucial for later research work undertaken by EFC departments and bodies, most notably work on the EFC's 'Code of Practice' and 'Principles of Good Practice'.
- ▶ Through the collection of thematic and geographic information, Orpheus identified foundations with common interests and spurred the creation of several interest groups.

The Orpheus programme played a pioneering role in each of the EFC's four current strands of activity: communicating and documenting European philanthropy, creating an enabling legal-fiscal environment, benchmarking and capacity-building, and network-building. It was 'an incubator for innovation', in Kemp's view.

Closing the tech gap

One of Garonzik's priorities on arriving at the EFC was to begin improving its information technology. According to Richardson: 'The technological aspect was upgraded immediately by Elan Garonzik, and so we then had two arms, not just the mission of civil society, but also the technical means to accomplish that.'

In the two years before Garonzik's arrival, technology had been overshadowed by the EFC's political mission to build the New Europe. But, it was clear that this mission needed good technology. The EFC lagged behind its US counterparts in this regard, but with Garonzik on board, bringing know-how from those organisations, the Centre tried to narrow the gap: 'It took us time to create the right database and it took support from EFC members, and their cooperation in finding data, to create the right information infrastructure. It wasn't perfect, but by the time I left it certainly served the needs of members as best it could,' says Garonzik.

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Elan Garonzik, ELMA Philanthropies

Web ready

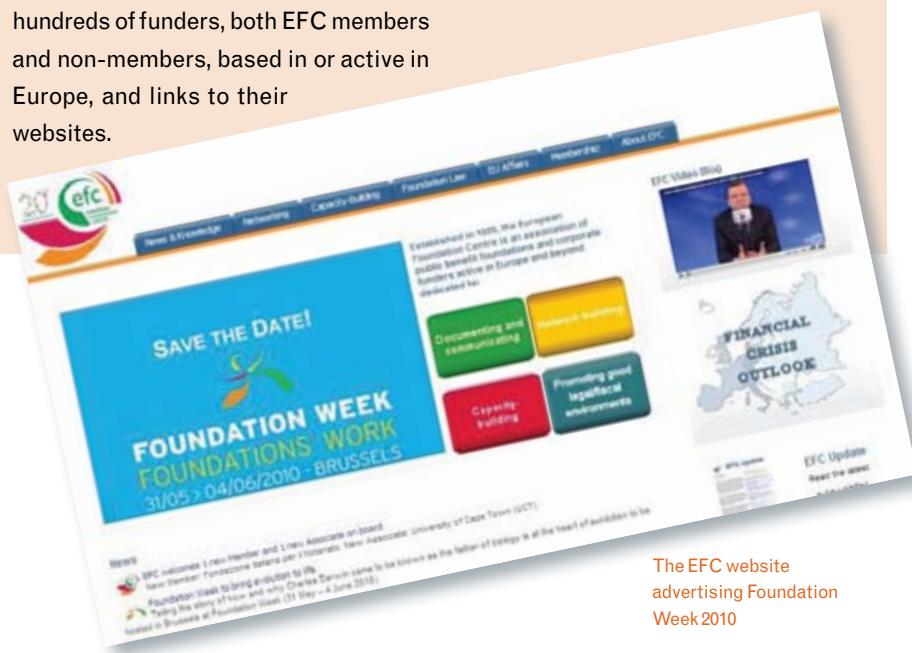
In the early 1990s, the internet was in its infancy. Most organisations did not yet have websites. This was true of the EFC and its members. Only in 1996 did the EFC website become operational, giving partial access to the large Orpheus database, and an email service, linking EFC staff internally and externally. The website has since been upgraded several times, most recently in November 2009.

In addition to its website, in 1999, after three years' development, the EFC launched Funders Online, giving full access to the database and free model templates for foundations wishing to establish a web

presence. Funders Online had a triple mission: to strengthen the infrastructure for information on independent funding, facilitate networking among independent funders, and enhance the technological capacity of funders and Orpheus centres. The site also had three target audiences: grant-seekers, grantmakers, and Orpheus centres. It held information on hundreds of funders, both EFC members and non-members, based in or active in Europe, and links to their websites.

It was the first international internet directory of independent funder websites. Visitors could search the site in several ways, including by country of origin, subject, or geographic focus, just like printed directories. In 2007 the website was taken offline, and partly replaced with new functions featured on the main EFC homepage.

 **Funders Online**



The EFC website
advertising Foundation
Week 2010

The *Vasa* warship, now in Stockholm's Vasa Museum

Sinking ships



On 10 August 1628, Sweden's state-of-the-art warship, the *Vasa*, equipped with the latest weapons and other equipment, sailed into Stockholm harbour on its maiden voyage to support Sweden's war against Poland, which had already seen fierce naval battles off the coast near Gdansk. But after barely two kilometres, the *Vasa* sank to the bottom of the harbour. Something similar happened to the EFC's European Philanthropy Portal project: a new component of the Orpheus programme launched at the 2000 Krakow AGA. It sank at the Stockholm AGA the following year. A Governing Council member, doubtless inspired by a visit to the Vasa Museum, dubbed it the 'Great Vasa Project'.

The Portal was intended to be 'the collective voice for independent funders in Europe', according to the 2000 EFC Annual Report. It was to be a bottom-up platform with space for a wide range of organisations, institutions, and interests, which would feed information into the portal and transform it into knowledge accessible to all. It was to be a platform which fostered direct interaction between all of these players. 'The Philanthropy Portal was a fantastic idea, ten years ahead of its time, it was just unlucky,' says Kemp. 'It was a very ambitious project, but just not well-explained. In my opinion, the Portal offered the potential to consolidate knowledge and build partnerships at national and European level,' offers Hizette.

If the project was so great, why did it collapse? Hizette and Kemp provide several reasons: it was seen as a centralised initiative, not a good thing in a membership organisation; it was launched precisely as the dotcom bubble

The Philanthropy Portal was a fantastic idea, ten years ahead of its time, it was just unlucky.

Eric Kemp, former EFC Deputy Director

burst and foundations lost a lot of money; there was a lack of political vision, a tendency to see it as merely a technical project, not a profile-enhancing instrument; it included a component on grant-seekers when it was felt that the EFC's main audience should be narrowed to members and their partners. Or perhaps its construction was simply top-heavy? As with any failure, hindsight is 20/20 and the EFC learned useful lessons from the 'Great Vasa Project'.

Life after Orpheus

In 2006, after a highly successful 12-year run, the EFC phased the Orpheus programme out. While most of the programme's projects were core EFC activities, until that point they were funded separately through limited duration grants. When the programme ended, these core activities were merged into the EFC's core budget.

The transition from Orpheus had already begun in 2002 with the creation of the EFC's Information and Communications Department. The new department built on Orpheus's expertise, tools and projects, but it dealt mainly with knowledge and information generated outside the confines of Orpheus, for example by the EFC's committees and task forces. With Orpheus's disappearance, the Information and Communications Department became the primary vehicle for the EFC's information, communication, outreach and knowledge-base building.



Communicating with effect

I think that foundations are very bad at communicating about what we do to the outside world. We should look at ourselves because we don't communicate the story of philanthropy sufficiently.

Rien van Gendt, Van Leer Group Foundation

ing the voice of European philanthropy. 'I think that foundations are very bad at communicating about what we do to the outside world. We should look at ourselves because we don't communicate the story of philanthropy sufficiently,' says Rien van Gendt of the Van Leer Group Foundation.

Meeting the challenge, in 2007 the EFC launched a new flagship magazine, *Effect*, to tell the real story of foundations in Europe.

The launch of *Effect* signalled a more member-focused approach to EFC communications. *Effect* replaced *Newsline*, a quarterly publication which mainly covered the activities of the EFC Secretariat and bodies like committees and interest groups. By contrast, the new flagship publication focuses mainly on the work of EFC members and other foundations. By the late 1990s, the EFC was striving to get members involved in its activities, through the EU, International, and Resource Development committees (see Chapter 6), so the transition to *Effect* was part of the evolution already under way.

At the same time as the launch of *Effect*, the EFC adopted a new corporate identity, including a new logo, and a common style for its publications and other communications products, including the website. The EFC continues to modernise its identity and approach to communications. Recently, the Centre started using media such as video



Media presence at 2008
Istanbul AGA



to report on its activities and give its members a voice. Members have welcomed this new direction and they have noted how video can give new vigour to reporting events such as the AGA and 20th anniversary celebrations. To widen its reach further and give members other spaces for networking, the Centre is also exploring social networking arenas such as YouTube, Facebook, Twitter and Linked-In.

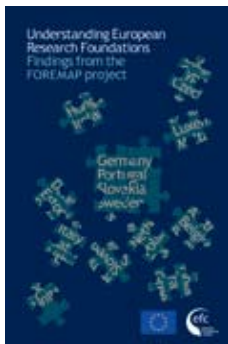


Becoming a knowledge hub

In addition to taking a fresh approach to communications, the 2007 Strategic Plan provided new direction for the Centre's data collection activities, indicating that the EFC should become an

'authoritative point of reference for information on the European independent funding sector'. To achieve this objective, the Centre has invested significant resources in a multi-purpose knowledge management system in order to respond to a wide variety of information requests. A key feature of the system is a reporting facility which enables the Centre to produce statistics on, for example, its members' activities, presence and financial contribution. The system also proved its value in identifying partners or best practices, potential participants for EFC and external events, subject matter and contacts for *Effect* magazine, etc.

Facilitating research on the foundation sector in Europe has also been a key priority for the Centre, which was illustrated with the establishment in 2003 of the EFC Research Task Force. The Task Force ran two surveys from 2003 to 2005, and then from 2006 to 2008, in order to assess public benefit foundations and provide key data on the scale of the sector across the EU (see Chapter 6). In its role as facilitator, the EFC continues to contribute to comparative data collection exercises. 2009 saw the successful completion of 'Foundations Research and Mapping' (FOREMAP), an 18-month project co-funded by the EFC and the European Commission, under the Seventh Framework Programme, to develop a mapping methodology and tools to gather qualitative and quantitative information on the contribution of foundations to research. Over the course of the year, these tools were tested by research partners in four EU countries: Germany, Portugal, Slovakia and Sweden. The project's findings were presented at a workshop in Brussels in September and in a printed publication, *Understanding European Research Foundations*. Interest has since been expressed in extending the mapping exercise to a number of other European countries.



Creating a collective identity

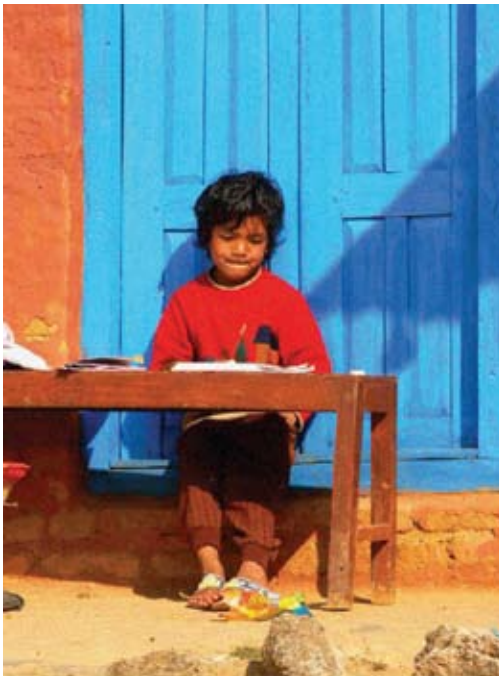
The EFC has helped to put the sector on the map. It has created self-confidence and an identity for the sector. We don't have to be modest, we can be self-confident. And I think the EFC has helped to bring that to the sector.

Luc Tayart de Borms, King Baudouin Foundation

What have all of these changes meant for EFC members? 'It has raised, and is continuing to work to raise, the profile of the contribution of philanthropy, especially with institutions like the European Commission,' says Avila Kilmurray of the Community Foundation for Northern Ireland. 'It has helped to put the sector on the map. It has created self-confidence and an identity for the sector. We don't have to be modest, we can be self-confident. And I think the EFC has helped to bring that to the sector,' suggests Luc Tayart de Borms of the King Baudouin Foundation. The 2007 EFC Strategic Plan created a Communication and Research Committee (see Chapter 5), which will continue to oversee, streamline and strengthen work in this area. To date, the European Commission has yet to take an official position on the future of a European Foundation Statute (see Chapter 6), meaning that having access to up-to-date, comprehensive information on European philanthropy is indispensable if the EFC is to prove that the statute is a necessity.

Creating an identity: EFC Photo Competition winners. The competition was launched with the aim of providing an opportunity for EFC members to illustrate their work, and to increase their knowledge and appreciation of their peers' activities in the sector.

Right: 2007 winner
Getting Ready for School
© Peter de Ruiter
Submitted by Bernard van Leer Foundation



Above: 2009 winner
Homework in Peace
© Bjorn Hofmann
Submitted by Robert Bosch
Stiftung



Right: 2008 winner
Annabelle the Clown
© Francesco Acerbis
Submitted by Fondation de
France

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LAYING THE FOUNDATIONS 20 YEARS OF THE EFC



A current snapshot of the EFC shows a thriving membership association, with 230+ member foundations from more than 40 different countries around the globe. The EFC's 20th anniversary celebrations, held on 9–10 November 2009 in Berlin, not only showcased the vital work carried out by the Centre over its first two decades, but also more generally marked the maturation of a flourishing European foundation community.

Yet to reach this point, a cast of characters had to build the EFC from the ground up, relying on their own entrepreneurship, perseverance and, once in a while, a bit of good luck. *Laying the Foundations* recounts the full, previously undocumented, history of the EFC, starting from the Centre's humble beginnings when the original seven founding members came together on 9 November 1989, up until the present.

A story told from the perspective of the members, the book presents a side to the EFC that one may not have been aware of otherwise. What was the role that Spanish foundations played in the establishment of the Centre that they still speak about so proudly today? Was it really just a historical coincidence that the EFC was founded on the same day the Berlin Wall fell? What was the 'Great Vasa Project', and why would certain members and EFC Secretariat staff prefer to forget it? Compiled following an extensive series of interviews, this book provides answers to these questions, among many others, and pays homage to those who have left their unique, indelible marks on the European foundation sector.